



April 2, 1949

SELF HELP

AN EDITORIAL

Journey To Red Shantung

Hugh Deane

Banditry In Kwangtung

Hsu (hien

Christian Missions In China

A Chinese Christian

PACIFIC PACT

AN EDITORIAL

LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

Post Office Answers

With reference to the letter from Mr. S.F. Wei published in your esteemed journal of the 12th instant under the caption "Hongkong Postage", complaining of the exorbitant rate of postage for printed matter for Hongkong, I have the inform you that the rates of postage to inform you that the rates of postage for Hongkong and Macao are based upon the Postal Agreements between China and Hongkong and China and Macao, which provide that, with the exception of letters and postcards which are charged the domestic rates of postage, all other categories of mail matter, special fees, etc. should be charged according to the Union tariff of postage. As newspapers, magazines and other printed matter do not fall under the categories of letters and postcards, the International rates of postage apply in accordance with the provisions of the above-cited Agreement. It is, therefore, obvious that, under the restrictions of the said Agreement, no unilateral action can be taken towards the modification of any of its stipulations.

WANG YU-KUANG Director of Posts

Shanghai March 28, 1949

Fukien Defended

To The Editor:

In his article, "How Safe and Sound is Fukien," which appeared in the March 12th issue of the Review, Mr. Lin has shown an extensive knowledge about my native province and his criticism is wellfounded. But in his eagerness to point out the weak points of the province, he has totally neglected the human factor, without which the world would be a place of desolation.

While it is true that Fukien has never played an important part in any of the wars, this was equally true of Kwangtung province before the Republic of China was established. That the last emperor of the Sung dynasty preferred Kwangtung does not prove that this pro-vince was safer than Fukien. As a matter of fact, the dynasty had removed its capital southward many times before coming to Kwangtung, and sought a place of refuge rather than an advantageous position from which to launch an offen-

During the recent Sino-Japanese war, the Japanese not only seized Amoy but fortified the island and stayed there for the duration of the war. Fukien's mountainous terrain and unproductiveness was not a factor that kept the Japanese from invading that province. Since they could strike at the Central Government with comparative ease from any point other than Fukien, it would have been foolish to operate out of a province where they were bound to encounter more difficulties.

However, no place is worth much with-out the human factor. Look at the state of Utah in America, popularly called "The Great American Desert," with its arid lands ravaged by disease, mosquitoes and grasshoppers. Approved Fourelease, 2006/04/21 in CLA RDB 3.004/15 R003000060007 American and grasshoppers.

THE CHINA WEEKLY REVIEW

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Shanghai's American Dailymore than "just a newspaper"

During these trying post-war days, the Shanghai Evening Post and Mercury has slipped into a peculiarly intimate place in the minds and hearts of readers. Per-

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tainous regions and soil too poor to yield any crop, it now thrives and yield any crop, it now thrives and prospers through proper cultivation. And Japan, with few natural resources, and crop, it now soil saturated with volcanic ash, came to be one of the great powers of the world. Formosa, a wilderness, was built up to a rich productive island which contributed greatly to the support of Japan before the war, and Hongkong, now called the Gibraltar of the East, has been developed into one of the greatest port cities of the world. All this was not conjured up over night, but was accomplished by great human effort.

Many things have been possible despite poor natural resources and few advantages: Sun Yat-sen's revolution was cradled in Kwangtung where there was little to work with; the great dynasty of Ch'ing was foundéd in Shensi, certainly not one of the richest provinces in China; and the Communists have been fighting superior odds under adverse conditions for more than 30 years, and have sur-mounted great difficulties. If all this is possible, why can't the Kuomintang, with US aid behind them, do as well? I am ossible, why can't the Kuomintang, with US aid behind them, do as well? I am not a pro-party man, but I do think the Kuomintang has a very good chance to win back if they work hard. They certainly have better conditions now than their antagonists did four years ago. I agree that Fukien is not a Normandy, and in the event of war between Russia and America, the latter would surely use Korea rather than Fukien, and Japan rather than Formosa. But the article was not discussing such a war, and in the meantime the two provinces of Fukien and Kwangtung have much to offer the Kuomintang. If they fail, it is the fault of their leaders, mismanagement, despotic policy. It all depends on how they exert themselves.

H. C. HUANG. Shanghai March 24, 1949

Magazine Ban

To The Editor:

To The Editor:

I was greatly shocked by the fact that a number of Shanghai publications which spoke the people's view and had a great many readers have been forced to discontinue publication by the newly established "cultural control authority" of the Nanking-Shanghai-Hangchow Garrison Headquarters.

According to press reports, such maga-

According to press reports, such magazines as World Culture, The Revelation, The Modern Woman, Outlook, The University Review, and The Middle School Times were banned because they are considered to be against the martial law.

sidered to be against the martial law. But these magazines, it should be pointed out, are legal and have been duly licensed by the Government authorities. These magazines have played a leading role in the present culture of China. They have suffered from economic hardships and political pressure and their closure at this time is hard to understand. It's clear that political pressure on the cultural organs is heavier than ever before, and it is rumored that press censorship may be re-introduced. censorship may be re-introduced.

This is what is behind the "honorable peace" about which there is so much

JOSEPH K. YANG.

To The Editor:
To round out the sad picture drawn by your editorial "US Loan For Spain" in the March 19th issue of the Review, the following is quoted from the European edition of the New York Herald "The Spanish press has published the news of the \$25,000,000 Chase Bank loan

without comment.

"Although financial circles were pleased at the transaction, privately, however, they were disappointed that it was necessary to mortgage Spain's gold reserves. "It was hoped the Chase deal will serve the base that the iter's terminate of the serve that the

to break the ice' toward granting Spain an official American loan really big enough to revive the country's heavy inough to revive the country's heavy industry, agriculture, and transportation which, as interpreted here, is a dire necessity not only for Spain but also for the general rehabilitation program in western Europe.

Europe.

"(A spokesman for the Chase Bank said the loan had been granted after consultation with and approval by the US State Department.)"

I am quite taken aback by the views expressed by you in connection with this unholy project. You risk prosecution by the Un-American Activities Committee and the horrible threat never to mittee and the horrible threat never to be admitted to occupied Japan and Germany in case you finally realize that all "really" bad Fascists have reformed, and that the safest place in the face of the Red Menace is the US zone of Germany,

Japan, and Spain in that order.

I just came back from there. Nazism was a good idea badly carried out.

"ADOLF"

March 21, 1949

New TB Drug

To The Editor:

The seriousness of the tuberculosis problem may be seen by figures compiled in 1946 by the United Nations Health Investigation Office, which estimated that Investigation Office, which estimated that some 300 out of every 100,000 persons die from this disease each year. If this estimate is accurate, at least 1,500,000 persons in China die from TB yearly. The Svenska Lacartidin Magazine 43, 2029-41, 1946, reported that a physician in the Sahlgrenska Hotal in Sweden named Dr. Jorgen Lehmann had utilized a para-amino-salicylic-acid proparation to

a para-amino-salicylic-acid preparation to treat tuberculosis and had achieved very

effective results.

I was therefore very glad to learn from an advertisement in the Chinese papers that the Grena Chemical Works, a Chinese medical factory, may be able to make a P.A.S. solution prepared by Professor Wong-Shao-ting, since its price will be make the state of the will be much cheaper than that imported from abroad.

Since the demand for P.A.S. is so great and I earnestly hope that our own medical factory can increase the produc-tion of P.A.S.

FLYING DRAGON CHAO Shanghai March 28, 1949

New Education

To The Editor:

A schoolmate of mine has just come down from the liberated areas to see his mother. He told me the following about secondary education under the Democracy:

At an educational conference held last winter by the authorities of the Northeast and North China areas, middle school policy was discussed and certain principles laid down.

The greatest difference between education here and in the liberated areas is that students there must work to earn their living. For example, there are three producing groups which have been required by the students, and examples. organized by the students' self-governing association at North Honan Middle Manila, Cebu and Iloilo
School. When school is over, these groups go to help the farmers and do whatever work is neapproved from Release 2006/04/21 GIATRORS 3.00415R00300060007 Annumum mummum manumum manum manumum manumum manumum manumum manumum manum manumum manumum manumum manumum manumu

they spend half of such day on such labor, their records de not seem to be worse than those of students in KMT-controlled areas.

Textbooks in some courses politics, history and the national language are being revised, but he others are not changed.

School affairs are decided by the School Affairs are decided by the School Affairs Ruling Committee which consists of six teacher: and one or two students. This body has the highest authority in the school

I have described these methods with the idea that they hight possibly be applied to middle schools here as a pro-

gressive reform.

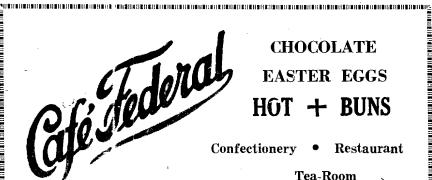
C. Y. S.

Soochow March 25, 1949

So-called Reforms

To The Editor:
What has happened to the reforms issued by Acting President Li Tsungjen? One of them provides for the abolition of special criminal courts. These courts have been abolished, all right, but in their place has been established military courts with the privilege of executing people "on the spot." The summary executions of 21 persons in Kunming and three bus workers in Shanghai illustrate how these courts work.

A second reform was the lifting of restrictions on newspapers and magazines. However, the banning and confiscation of newspapers and magazines has been renewed in Shanghai. Thousands of copies of "inside story" maga-



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zines" were confiscated by the police and garrison authorities on March 17. These magazines contained a number of articles that were pro-Communist or critical of the Government, and many of them may not have been based on fact. However, their wide circulation is an indication of the frame of mind of the general public, and the policy of banning or con-

public, and the policy of banning or confiscating them is an ill-advised one which has not worked in the past.

Despite the promised cession of activities of KMT secret agents, the disappearance of people is on the march again. It is rumored that a delegate of a shinning company in Shanckei again. It is rumored that a delegate of a shipping company in Shanghai was arrested soon after his return from Peiping, where he had contacted Communist

leaders.
These developments, together with many other oppressive measures, go to show that the diehards and reactionaries are not willing to have any house-cleaning pre-paratory to peace talks with the Com-munists. They have never wanted peace; they want a hushed silence under threat of imprisonment, torture and death.

D. C. FREEMAN.

Shanghai March 23, 1949

Chungking Bombing

To The Editor:

I don't know what the B-24 bombar-diers could have been thinking about when they bombed the Chungking. I should like to ask them whether they thought it was for the good of the nathought it was for the good of the nation. China cannot make any warships and it is hard to say when this loss to our country can be made up. I believe that the bombardiers were disloyal to their country although they might be their country although they might said to have been loyal to the KMT.

I am sure that the Chinese Civil War is not likely to be von by aviators or the navy or by for ign loans. Only a

the navy or by for ign loans. Only a Government which is championed by the people can win, and the action of the KMT in bombing wirships of its own country will surely de rease its champions. It is interesting to note that the Chinese airmen rode on American planes to bomb a British war hip. It is now reported that two more warships presented to us by America are to be anchored at Kaohsiung in a few days. Whether or not these two ships will repeat the tragedy of the Chungking no one knows. tragedy of the Chun king no one knows.

Taipeh, Taiwan March 22, 1949

Wants Subscription

It is really hard to obtain real news and just views from the newspapers and magazines of this country. Although there are many Chin se newspapers and

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magazines, every one of them is inclined either to the right or the left.

We would like to read your Review frequently but can't afford the price to buy it. Could you send us a free subscritption for two months before we finish our school life? We are very much obliged.

HSI TANG YING

SI CHING CHAU Chung Ching Technical School

Marc's 16, 1949

Any Old Copies?

To The Editor:

To The Editor:

I have been your reader for only half a year and have grown so fond of it I hope I can read the Review always. But now my finances have failed and I am obliged to bid you farewell.

China, as well as the world, is now facing a fearful storm and the grey clouds gather in every corner. We common people know not when the storm will come or in what way, and can only follow events through the newspapers and magazines. I think your Review is the very one to help us during this stormy period of time.

I often have read that some of your

I often have read that some of your readers get free copies through the contributions of other readers, and that old copies are sent to needy readers. Now, since I am in distress, I can only wish luck might fall upon me.

D. J. CHOW

Nanting, Kiangsu March 20, 1949

(The REVIEW'S free subscription kitty is empty too. If any readers care to contribute to this fund or send their old copies to us, we will be happy to pass them on to needy readers—Editor.)

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Missing Persons

To The Editor:

In spite of Acting President Li Tsung-jen's directive against illegal arrests, four persons are missing here: Two teachers, a student of the Shanghai College of Law, and an employee of the District Government.

Mr. Li Tze-cheng, head of discipline of the Provincial Chuchow Normal School, was visited by plain clothesmen who said several students of the Normal School had been taken to Garrison Headquarters because they had quarreled with somebody in a theater. They requested that he go with them to see these students. He wanted to call the roll first, but they would not permit him to do so. When he had not returned by the next morning, the principal of the school went to the Garrison Headquarters and was told they

knew nothing of Mr. Li's whereabouts.
Mr. Wang Do-hsiang, a history teacher
at the Provincial Chuchow Middle School, was chatting at home with his wife and a younger sister when plain clothesmen entered the house under the pretext of checking the census. They pointed to his younger sister and asked who she was. Mr. Wang explained and said she was studying at the Yu-Nong Middle School where she was to return the next day. The plain clothesmen would not accept this explanation and took him away with them.

The student, Mr. Chen Nan-hsiang, also was taken away by plain clothesmen acting as census takers, who charged him with housing persons without registering them with the census authorities. clder brother wanted to go instead but was not permitted. He followed Mr. Chen to the Garrison Headquarters but was refused entrance. Later he was told his brother was not there.

Mr. Kao, the Government employee, also was taken away from his house when someone asked him to go out to talk over some affairs. I e has not been seen

Chuchow, Chekiang March 18, 1949

L. C. C.

"Wet Firewood

To The Editor:

Present indications are that the Gold Yuan has got out of control. At very short intervals, GY totes of \$5, \$20, and \$50 denomination have passed out of circulation. And y sterday, barely a fortnight after GY \$50 notes were poohpoohed as "wet fire ood", GY \$100 notes were being widely rejected in everyday were being widely ejected in everyday business transaction: here in this town of Dan Shui Hon, Hoiping. The local bankers and merchants are hurriedly shipping huge amounts of these unwanted notes to Kongmon or Canton, where they are said to be still accepted, to be dumped on the markets there. From my observations I find that small

notes first were refused in the country-side, the rejection spreading to the larger places. This state of affairs implies that the people in far-fling places have become extremely nervous about possession of GY notes and have learned from ex-perience that they an turn into waste paper over night.

paper over night.

Also it is interesting to note that even before the \$1,000 notes are brought in here, the \$100 notes are being rejected, and the only ones isable are the \$500 notes. It looks here as if the peoples rejection of the Common move faster than the Government can issue new notes. JOHN HSU.

Hoiping, Kwangtung March 20, 1949 Zatrantara tara tara tara mengantara mengant

Thank You!

To The Editor:
We are proud to tell you that your esteemed Review is made accessible at our University; both the University library and the Students' Center of the Christian Fellowship have subscribed to

It has been our wish that hereafter more people will have a chance to know the Review, so that its recognized value may be known in even wider circles.

LOO SHIH-CHENG.

The National Chekiang University Hangchow, Chekiang March 18, 1949

Yenchow Bandits

To The Editor:

Recently many bandit outrages have occurred in this city of Yenchow, and in the surrounding countryside. They have entered the houses and robbed the people of their rice, money and gold. Many of their rice, money and gold. Many very rich men have received anonymous letters from the bandits demanding more gold and rice. Many of these men have paid so the bandits would not kill them and burn their houses.

This situation is a disgrace to the whole nation. The provincial authorities of Chekiang and the troops stationed in this area should be held responsible for these incidents.

The bandits are neither Nationalists nor Communists. We are told by newspapers that the bandits are mostly soldiers who have been paid off, and that the more soldiers we pay off, the more bandits will be let losse. JO SAN-CHEN.

Yenchow, Chekiang March 19, 1949



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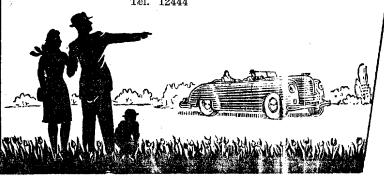
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Vol. 113 Shanghai, Saturday, April 2, 1949 No. 5

Pacific Pact

THE official announcement of the Atlantic Pact was the signal for an all-out campaign by various interested parties to persuade the noncommunist powers with interests in Asia to unite in a Pacific version of the Atlantic defense plan. We don't like the Atlantic Pact, but we'd like a Pacific Pact even less. While the Atlantic Pact is the latest in a series of moves designed to torpedo the United Nations, it at least has the blessings of governments put in office by fully sovereign countries, regardless of how naive or unenlightened their respective electorates may be. The most vociferous appeals for a Pacific Pact, however, come from the capitals of European colonial powers who are afraid that they are about to lose something to which they have no legitimate rights.

The campaign to induce Uncle Sam to pull a few colonial chestnuts out of the fire began a long time ago and has been increasing in intensity in almost direct ratio to the advance of the Chinese Communists from the north. In the February 5 issue of the Review we warned that European powers with colonial holdings in Asia, aided and abetted by individuals and organizations in America and other non-colonial countries. were plotting a means whereby America's money and materials could be sucked into a Pacific plot to preserve colonialism. At that time we said: "The trap, laid snugly in the various colonies, is being artfully baited with the red flag bearing the hammer and sickle and the European colonialists are waiting behind the bushes for the American bull, who seems to go completely berserk at the sight of anything red, to charge in and solve the crisis.

In the few weeks that have passed since then, the campaign has reached a new tempo. Almost every day the newspapers are full of scare headlines over stories—largely undocument-ed—telling how the Chinese Reds are plotting revolution and anarchy throughout Asia. The pressure has become so strong that the few independent countries that exist in Asia today have begun red witch hunts of their own, imprisoning in some cases thousands of their own citizens. It almanagement Force Pelegage 2006/04/2

munist Asia has worked itself into a frenzy in an effort to impress Uncle Money Bags that it, too, is against communism and thereby is deserving of a handout of US dollars.

A most unholy trinity composed of European colonialists, misguided and/or corruption ridden native governments, and American vested interests are working night and day to involve the United States in a most foolish adventure in Asia. Whether they will succeed in their plot remains to be seen. Meanwhile it is well to be advised of their doings.

The most prominent position in this campaign is held by France, a country whose bankrupt colonial policy in Asia is apparent to all. For about three years the French have been trying to impose their repressive rule on Indo-China. Today, the French are on the brink of being thrown out of Indo-China by the Vietnam resistance movement. With a Communist China in the offing, a Vietnam victory is assured. France's only chance now is for America to save her colony for her. To this end, the French propaganda machinery has been working overtime grinding out story after story about the Red menace in Asia, how French democracy is on the verge of extinction in Indo-China, how China's Reds, who are nothing but Moscow's hirelings, are unfairly aiding the Indo-Chinese in their fight. All of this, of course, is pure hogwash. The French are taking a beating and are looking for help.

One excellent example of how the colonialists twist the news was contained in a *United Press* story from London on March 24, written by Harold Guard, one of *UP's* staff correspondents. Guard reported: "Intelligence reports from Indo-China said today that Chinese Communists from Yunnan Province have joined Vietnam guerrillas in fighting French colonial forces." The story then gave details of border attacks from China, saying, "Chinese Communists now control half of Yunnan.... 70,000 Communists (are) moving to occupy six important towns within easy reach of Indo-China by road and river."

The first thing that is wrong with this story is that it comes from "intelligence" sources. No matter whether they are French or British, they are obviously suspect in this case since both are official agencies of governments which have actively been playing up the red threat in Asia for their own partisan ends. To readers here in China, it is useless to point out the many other errors in the story. Correspondent Guard, perhaps, may be pardoned for not knowing his Chinese geography or for not being familiar with the many revolts—only some of which are Communist led-in Kuomintang areas of China. However, he also should know better than to write about China from London, especially if he has no more reliable sources than French or British secret police organizations.

pressure has become so strong that the few independent countries that exist in Asia today have begun red witch hunts of their own, imprisoning in some cases thousands of their own citizens. It alnApprovedsFaraRelEase 2006(94/21: CAARDR83;00415R00R0906000784to get on the

anti-communist bandwagon so as to be in a position to grab off its share of the money which it is confidently hoped Uncle Sam will dish out. The other could be to seize a fine opportunity for obtaining outside support for a continuation of its long-time campaign against the large Chinese minority in the country. According to press reports, virtually all of Siam's estimated 4,000,000 people of Chinese descent may be considered suspect. Government spokesmen have talked loudly of the communist menace and have remarked pointedly that the monstrous doctrine of Marxism has little appeal for Siamese, being confined almost entirely to the country's Chinese community. Viewed in the light of past actions of the Siamese Government, this sudden concern over Communism is merely another chapter in a long history of pogroms against the Chinese

The Philippine Government apparently does not wish to be left out and has joined the scramble. According to daily press reports, Manaila is rapidly discovering that the Hukbalahap rebellion is not so much a result of the government's inability to solve its landlord-peasant problems as it is the direct result of foul instigation by the numerous communists among the islands' Chinese population.

The ability of the Chinese Communists should not be underestimated, but we wonder if these people, who have yet to bring the major portion of China under their control, are capable of turning all of Asia upside down through such extensive operations as some would have us believe.

What Press Association D'ya Read?

".....the first British skipper to return here from a regularly scheduled run to North China...said that all industry in Tientsin was 'completely stagnant'.—United Press dispatch from Hongkong in the Shanghai Evening Post, March 22.

"The United States Department of Agriculture says six of the seven former China Textile Industries, Inc. (government owned) cotton mills have resumed operations in Tientsin under the Communist regime. The seventh was reported to be beyond repair.—Associated Press dispatch from Washington in the China Press March 22.

Self Help

WE have discussed the question of self help upon several past occasions, usually pointing out that no amount of foreign aid could solve China's many complex economic problems unless an energetic program of self help were inaugurated. Such a belief can scarcely be questioned, but the argument usually has arisen over whether or not the Government actually has attempted to help itself. Official sources, quite naturally, have maintained that the Government was exploring all possible avenues in its search for methods of obtaining aid within this country and that only the Civil War has prevented China from pulling herself up by her own boot straps. Others have maintained that there was little or no evidence of self help or that efforts directed toward that

of deliberate misuse of foreign aid.

Personally, we have been of the opinion that precious little effort has been or is being made to develop internal sources of aid, while the existence of waste in handling foreign aid is evident to all but the blind. This is not to say that the Chinese Government has not recognized the need for helping itself by using indigenous methods and materials for reconstruction and rehabilitation. However, it does appear that the matter has gone no farther than the "recognition" stage. We have yet to see any evidence that this administration has been able to organize itself sufficiently for effective action. Thousands of tons of rotting and rusting materials and machines, piled in huge storage areas throughout the country, bear ample testimony to the Government's poor use of outside aid.

There are, we know, many standard reasons advanced as to why such materials have not been used. It is said that the materials themselves are unsuited to China, that the machines were not in working order, that the Government had no money to finance the distribution of the supplies, etc. A trip through any of these storage depots, however, will illustrate the flimsiness of such statements and adequately show that they are at best very poor excuses for a seemingly complete inability for organization.

The continued existence of these depots, filled with materials which in some cases arrived in this country more than three years ago, is a visible indictment of the administration. The claim by officialdom that the materials are not usable in this country can easily be disproved by a walk through any of the several so-called thieves' markets in Shanghai, where salvaging and improvisation, developed to an astounding degree of perfection, may be seen. For instance. the fact that the glass craftsmen have developed a technique whereby the smallest pieces of broken window pane can be salvaged and made into useful articles testifies to the truth of the saying that nothing in this country need be wasted. The blocks-long sidewalk markets where gears, bearings, chains, and all sorts of machine parts are bought and sold and bartered, is proof that the small Chinese merchant can, if circumstances permit, organize his activities in such fashion as to fulfill a public need. The people have the ability and the organization to use the materials, no matter how small. It is only the Government, undecided and uncertain, which perches atop valuable materials like a hen sitting on infertile eggs which eventually will rot and become useless.

Is it any wonder, then, that an administration which is incapable of making good use of materials given it has difficulty in discovering ways and means of helping itself?

herself up by her own boot straps. Others have maintained that there was little or no evidence of self help or that efforts directed toward that end were entirely too puny. Some critics have charged that not only were there no signs of self help but the proved was Release 2006/04/21: CHARDRS 300415 FS003500 Charge Toward T

the Reds will have to accomplish all their rehabilitation and reconstruction aims through self help. How well they will be able to organize themselves and how fast they will be able to proceed toward their announced goal of increasing production and making a better life for the people remains to be seen. However, it does appear that they have gone the Nationalists at least one step better by making an effort to do something.

One story from Manchuria tells how the workers in the state-owned farm implement factory in Harbin recently perfected two new farm machines. One was a horse-drawn soya bean harvestor which is said to harvest more than eight acres of beans a day. The other, a threshing machine drawn by a four horse team, can handle more than three tons of grain per day. The story ends on a characteristic note: "Only after the agrarian reform did the farmers in Manchuria begin to have the spare cash for new machinery."

This seems to us to be a very significant story. With reform of the land tenure and the tax systems, the farmer's living standard is raised, and as soon as this is done, the state factories begin turning out improved machines for him to buy which will in turn increase his productive powers and, presumably, his income.

In Manchuria the Chinese Communists found precious little in the way of ready made capital. In fact, the area had been pretty well stripped of its industrial machine by Russian confiscation and local looting, not to mention the American bombing during the war. Presumably, the Communists had to start pretty much from scratch. They reformed the land system and then, with the farmer's economic condition already slightly improved and with cash in his pocket for the first time, set about making labor saving machinery to sell him.

Contrast this to the extensive agricultural improvement system blueprinted for Nationalist areas. The emphasis was all on foreign help, foreign technicians, foreign money, foreign machines. The foreigners, their machines and their money all arrived, but what has been the result? True, some organizations, such as the NAEC, have been set up and are functioning. However, what about the farmer? Shackled with the old evils of tenancy, heavy and unjust taxes, and occupying a social position but little better than that of a serf, these improvements on the whole have been of little help to him. Hundreds of tractors were brought to China, but how many have been put into use? Some are used by Government organizations, but we would guess that scarcely any have actually been put to the use for which they were intended.

Take another example. From Kaifeng it is reported that the People's Government has completed the dredging of the Hui-Chi Canal which passes through the city. Un-dredged for 10 years, its overflow had inundated the flatlands surrounding the town thus making unworkable one-fourth of the area which in the past used to produce 1,000,000 priocraffer Releast 2006/04/21 nitrate yearly. This 10-year-old flood caused

the unemployment of an estimated 1,200 salt workers.

The dredging was accomplished by the mobilization of 5.000 workers found without jobs when the Reds took over the city. One might be tempted to ask why the Nationalist administration of this city, which was in occupation about three years after VJ Day and which presumably had at its disposal all sorts of mechanical dredging and other equipment as gifts from UNRRA or secured through surplus property deals, failed to undertake the job? How is it that a Communist administration, working without the aid of foreign tools to lighten the work, was able to undertake and complete the job in a matter of months? Surely the Reds had to face at least as many obstacles as the Nationalists.

There are many possible explanations, of course, for this seeming ability of the Communists to pitch into a job and get it done. One very likely one is easily explained by the old adage about how a new broom sweeps cleaner than an old one, meaning that people new to power are on the whole more earnest in their administration, more efficient and more determined to please than an old gang which has become so accustomed to ruling that it has forgotten the importance of popular goodwill.

Another reason, perhaps, is that faced with the prospect of gaining control of a China which will be cut off from the American dole, the Communists realize that any improvements to be made must be brought about by their own efforts and that, therefore, they have to get busy and do what they can with the materials on hand. The KMT, on the other hand, has not really had to get out and dig for the past few years because it seemed certain that Uncle Sam could be counted upon to provide the money and direction.

A still further possibility—and the one which we believe is the most important—is that the Communists are by nature a very realistic bunch not given to living in a dream world filled with wonderful paper plans for the future. At the present moment they are viewed by many as a huge colossus from the north which is about to shove the tottering Kuomintang aside and swallow the country. However, it should be remembered that their dominance of the scene is a quite recent affair. As recently as a year or two ago there were many people who would not have given the Communists much of a chance. Ever since 1927 the odds have been weighted heavily in favor of the KMT. Purged from the Government, defeated militarily time and again until finally surrounded in a small pocket in Kiangsi in 1930, the Communists have been on the verge of complete defeat countless times. When the Generalissimo drove them into the barren north Shensi countryside in 1935, most observers felt that the end was in sight. Even many of their supporters and friends thought that all was up with the Reds. However, they seem to have come through very well.

 many lands, as it does in the fact that the Communists realized that if they were to exist at all, they had to provide a platform that was popular with the broad mass of the people. Whether the platform was a proper "red" one or not was unimportant. What was important was that it give the people a better deal. Boiled down to one essential, the Communists' program meant reform. There is a lot of loose talk about the excesses of the Chinese Communists, their atrocities against "the people," etc. However, the fact remains that there is ample evidence that in areas where they have assumed control, they have been active reformers of the social, economic, and political scene. People fleeing the Reds have told of their brutality, their iron rule, and so on. However, it would seem that the mass of the people must like what the Communists have been doing. Otherwise, why would they support them and enable them to rise to their present powerful position?

Suppose that all the stories of Communist atrocities were correct. Suppose that the Communists actually had killed all the landlords and their families and divided up their wealth among the tenants. Who would really care, aside from the landlords and those closely connected with them; a group consisting of perhaps 15 or 20 percent of the population. Observers who deplore bloodshed might well object, but the vast majority of the population, which will benefit thereby, can hardly be expected to offer serious opposition to such a program.

Since there seems ample evidence that these "excesses" which have been made so much of by the KMT and others have been few and far between and that the Reds reform measures on the whole have been rather orderly, it would appear that the extreme realism school of thought has triumphed. Forced by circumstances — as much as anything else — to give good government and to face problems realisticly, the Communists have won out against seemingly overwhelming obstacles. The few reports of achievements now reaching Shanghai from areas more recently taken over seem to confirm this view. The Reds are giving good, efficient, and honest government. A few, especially those who have battened off the peasants and the workers in the past, find that there is no place for them in the Communist's scheme of things and have come running to Shanghai and other havens with howls of anguish. The vast majority, however, appears to be staying put and to be enjoying such improvements as canal dredging, land redistribution, higher income and supplies of better farming tools.

From the little evidence now available one might hazard a guess that the day of self help is approaching. Its arrival will satisfy a lot of people and at the same time will confound a great many, especially those who have heard excuses for so long that they have come to believe that the Chinese were a special breed of people differing from the rest of the regides in their reactions and abilities.

25 Years Ago in The China Weekly Review

March 29, 1924.

Peace Plan Contest

The various manuscripts received in the Review's contest for a best and most practical Peace Plan for China have at last been translated into English or into Chinese as the case may be and turned over to the judges.....The widespread interest which the Review's contest has aroused throughout China is indicated in the number of letters which are being received.....One letter this week from Mr. Wilfredo T. Ty, editor of the Fukien Star of Foochow, reads in part:

".....if you ever wish to be of any use in China, my Challenge is, do something for the next generation. Invest your fortune in the next generation and thus be assured of twofold greater returns. We already know enough about the nature of the human youth to supply us for a long time to come with a working basis for his direction and improvement. Our point of greatest interest is of gourse the prevention of the young from taking up the ways which are deplored in the conduct of the adult and further to develop in them independent judgment, the power of sustained and self-directed activity in enlarging social relationships, the ability to grow in co-operation with, and not in opposition to, the rest of their countrymen. In other words, to develop in them a new morality. When this, and a few other reforms have been accomplished, then many if not all of the evils which now afflict China will vanish or remedy themselves automatically. Then and only then will China be at peace."

Opium Business

The Anti-Opium Bureau in Canton has claimed the exclusive right of preparing opium for sale in the city. The Eureau is preparing daily 4,000 ounces of opium, making a profit of \$8,000 every day, when all products are disposed of. The prepared opium is being sold from \$1.1 to \$5.50 an ounce according to grade and origin.

10 Years Ago In The China Weekly Review

April 1, 1939

Industrialization Of Siberia

Agricultural production in eastern Siberia has increased five times over the previous output, coal production has increased four times and scores of new mines with modern technical equipment have been opened in the Irkutsk region, according to the report of Kachalin, the Communist delegate at the 18th Communist Congress recently held in Moscow. He said that Eastern Siberia has become a flourishing industrial country where thousands of tractors, harvesting combines and other complicated agricultural machines work on collective farms. Gross industrial output had increased more than 200 percent, providing a firm foundation for future development of the region as well as strengthening the defense power of the Soviet Union in the Far East.

Puppet Nanking

Nanking made much fuss and noise on the occasion of the first anniversary (March 28) of the creation of the so-called "Reformed Government" by the Japanese.

Failing in repeated efforts to erect a unified structure for the control of the various rival regional groups, the Japanese are now trying to make Nanking the center of their future political intrigues. This is revealed in a statement issued by the Nanking regime, announcing that plans for the organization of a central administration are nearing completion, the fundamental principle of such an administration being close cooperation with Japan and its ultimate objective, the establishment of a new order in East Asia.

With the assistance and under the direction of the Japanese Government, the statement claimed, Nanking and its affiliated groups made marked progress during the year. But: CIARDR83-00415R003000660007th killing of several

important officials of the regime.

Journey To Red Shantung

Hugh Deane

During our five veeks' stay in the

IN Tsingtao, where dispirited Nationalists and uncertain Americans await the Communists, information about how to cross to the Communist lines is as plentiful as beggars and deteriorating US-made materiel. This information is not always reliable, but getting to the Communists is so easy that it does not matter very much. Larry Tighe, a businessman and writer, Henri Cartier-Bresson, a Magnum photo-grapher, and I crossed over painlessly in a jeep on February 10th.

We were escorted through the Nationalist lines by a staff officer who took the precaution of substituting a private's cap for his own. At Chimo, some 30 miles northwest of Tsingtao, the commanding general told us without fervor over lunch that the Reds might shoot us. "On this side is freedom; on the other, tyranny," he remarked. We spent the night at the Nationalist outpost of Lingshan, a fortified village.

The next morning we drove slowly into no man's land, along the rutted road of a brown, tamed valley, passing the indigo figures of peasants who grinned at us. When we saw people in the distance, we slowed the jeep to a crawl, and Cartier-Bresson and I walked in front of it, waving a white flag. But we went through several villages without meeting anybody except little knots of curious and groups peasants ofracing

In a village eight or 10 miles from Lingshan we met a blue-clothed militiaman with a Japanese rifle. He grinned, got in the jeep and took us on to the next village where at last we saw the padded yellow uniforms of the People's Liberation Army.

We stayed in this village a week, living in battalion headquarters. Two officers came and interviewed us in Japanese, and a day or so later an English-speaking hsien official interviewed us more thoroughly. This official took us on about 10 miles to a village suburb of the county seat of East Pingtu. Here we waited a fortnight vainly for a reply to our request to proceed to Tsinan. This request was transmitted through official channels to the East China and North China governments, both of which, we discovered later, were being moved. Another factor hindering quick action was the inadequacy of communications which bears a heavy munications, which bear a heavy military and administrative burden. bear a heavy

After a fortnight I was obliged to give up the idea of continuing to Tsinan and requested permission to return to Tsingtao. This request, too, was transmitted to the East China and North China governments. China and North China governments. It was granted after another two weeks, and on March 18th the three of us drove back to Tsingtao, again

two Red villages we were restricted most of the time to the compounds in which we lived. The officials explained that they had to obtain authorization before we could go about freely. They also expressed the fear that ve might be attacked by Kuomintang terrorists, as, they declared, two Catholic priests had been some time before. We were treated with friendliness by all soldiers, officials and peasants with whom we came in contact, given the best possible food and lodging, and allowed to send whatever telegrams and letters we wished into the Liberated Areas.

When we left, we tried unsuccessfully to pay for our lodging and food. "There is no provision for payment, and no one ever has," an official told us. Our offers of gasoline and tools were also rejected politely. At last we forced our hosts to accept a medical kit by threatening to throw it is a ditch on our way to Tsingtao.

OUR week in bartalion headquarters gave us in imate and favorable impressions o the Communist armed forces, though the troops we saw were only hsie guards and not a component of a teld army. Mostly young boys in heir teens, they were healthy, earn st and cheerful. They were well-un formed and fed, and their arms, though presumably inferior to those is sued to the field armies, were zealously tended. watched squads of hem practice field stripping light nachine guns in Recruits were freezing weather. given detailed instruction with the help of diagrams halked walls. Perhaps most striking was the relationship between the troops and the peasant. It was so friendly and natura that the soldiers just seemed to be part of the popula-

I talked several times in Japanese to a soldier named hi who came from Harbin. He had been in the Nationalist army two years and about a year ago had cone over to the Communists. He old me that he received the equivalent of 10 People's Bank dollars a month. "The ple's Bank dollars a month. "The organization of the People's Bank is a big step toward the stabilization of the currency," he added pride-

In the evenings a courier would come on a bicycle with mail and copies of the local newspaper, the Giao Dung Pao. A little knot of soldiers would read the paper by the light of a peanut oil lamp which locat giant shadows on the earther cast giant shadows on the earthen walls. Sometimes the paper would publish a new song, and the soldiers would puzzle out the tune and then sing it.

In fact, we drove through the Nationalist lines with the Nationalist pushed through from Tsingtao to capture Chefoo. We length once they walked along. Once a few of largely destroyed by Nationalist shell

them sang the Internationale, but the favorite song was a new one called Discipline for Entering Cities Song. Another was the Eight Dis-

ciplines and Four Principles Song.

The daily newspaper also served as a kind of textbook. Li told me that the soldiers would study the paper and then during a class would ask the instructor to explain things they did not understand. A group discussion would result. "A well-educated army is a strong army," Li explained to me.

Most of the newspaper was devoted to local and national news, but foreign news was allocated some space. The expulsion of Anna Louise Strong from Russia was given a front-page box; Agnes Smedley's reply to General MacArthur was summarized. American policy toward China was several times reviewed, and survey articles dealt with the situations in Indonesia and Indo-China.

A hunger for detailed news about the outside world was evident among the local officials. A half-dozen copies of The China Weekly Review which we brought with us were read avidly, and numerous articles from them were translated. A desire for scientific information was particularly apparent. One official listed for us foreign magazines which he would like to receive: New Masses, Popular Mechanics . . .

On one wall of our compound was a skillfully-executed cartoon showing a big-nosed American general holding a little bespectacled Japanese as if to place him on a saddled dog named Chiang. The title was "Servant of Servants." The soldiers would laugh merrily, and with a touch of embarrassment, whenever we went up to eye this more closely.

The soldiers were curious about our possessions, which they would examine casually and discuss. They were always friendly, and some-times with great hilarity we times would chase each other around the compound. The soldiers had a chinning bar lashed between two trees nearby and in the evenings they would take off their padded coats and take turns doing tricks on it.

THE area in which we stayed has been the scene of intermittent fighting since about 10 years ago, when the Shantung Column and Lin Piao's Eighth Route Army division began to resist the Japanese in the province. The Communists early established a guerrilla base in the area, from which they harassed the Tsingtao-Tsinan railroad, and tales of raids, ambushes, herces, traitors and tricks played on the Japanese. we discovered, have become part of the local folklore. The last heavy fighting took place in 1947, when the

fire then, and were told that the local Communist forces had defended it bitterly, wiping out several Kuomintang regiments. Now what is left of the population is rebuilding slowly; new straw roofs have risen here and there among the smashed walls.

The harvests of the last two years have been small as a result of the war and bad weather, we were told. This year the local authorities, directed by the provincial government, have begun an intense drive to increase production. \mathbf{The} Dung Pao every day carried long articles and editorials about spring plowing and sowing, a seed and fertilizer loan program has been worked out, and about March 10th the soldiers went into the fields to help the peasants. Daily progress rewere sent to Tsinan by radio.

Land Reform

The land reform has been carried out in the area, a Communist Party member told us. The richest landlord in the vicinity owned about 1,000 mow (one-sixth of an acrc) and the second richest, 365 mow. This land has been distributed to the former tenant families, which now own three mow, more or less, per person. Land owned by landlords was confiscated outright, but they were allowed to retain enough for their own use on the same basis as the peasants. The rich peasants were handled differently. Efforts were made to persuade them to give surplus land to poorer relatives. If persuasion failed, pressure was brought to bear through village meetings. Peasants who owned only a few more mow than their neighbors were not asked to give them up.

In some counties in Shantung some ultra-leftist incidents took place a year ago, we were told. A few landlords and collaborators shot by decision of village meetings. These killings, however, were termed illegal by the higher authorities, since the magistrate is the lowest official with the power execution.

Another problem created by the redistribution of land, we were informed, has been the tendency of poor peasants who have received additional land to celebrate by working less hard. This caused middle peasants to grumble: "We worked to get our land. You get some for nothing and now you just loaf." To meet this problem, the Communists began production campaigns.

Poorer villages have been given land by richer villages. To effect such redistribution, conferences of several villages are called. If a village refuses to yield land to a poorer neightness to yield land to a poorer heightness to yield land to yield land to a poorer heightness to yield land bor, the case may be referred to the commissioner, the immediate superior of the magistrate, for settle-

For tax purposes the land in this area has been classified into ten degrees. The annual tax is two catties of grain per degree times mow, regardless of the size of the crop. Thus a peasant who owns ten mow

Springtime Notes From Hunan

-Toni Farnham-

THE beauty of the Hunan countryside in spring cannot be a source of joy to it inhabitants this year with troubles even worse than economic chaos be etting the province. Early in Murch news of an army of rebels in the western part of the province came first as a rumor. Then, with the publication of newspaper accounts, it became the subject of discussion on everybody's

Are they Communists? They deny it. Even stronger is the denial that they are bandis; they are the "People's Liberating Army" they claim a just rievance and a cause for which they fight. Tsao Chen-ya, the leader of the liberators, was the chief of police in Hwang-hsien, westernmost city in Hunan. Schoolboys learning the geography of their native province call that part "the nose on the old woman's face." From Hwanghsien, leader Tsao took his follow rs to the North and East as far as Chenki, wartime capital of Hunan. This city is the site of the famous ave-arsenal, and a desirable plum for anyone seeking power. Here the liberators" took captive the head of the arsenal and held him prisoner while removing 8,000 rifles and a goodly supply of ammunition.

From Chenki the army, now growing to a size reported as high 7,000, continued north to Yuanling. At this point the well-planned and executed "revolutior" disintegrated into a campaign of pillage. The citizens of Yuanling cound themselves the victims, rather than the beneficiaries, of the uprising. For ten days they huddled or terror while all shops and homes were systematically An estima ed 400 shops, after being cleared of all valuables, were burnt on the pretext that illumination was needed to prevent the Nationalist army, recently arrived from eastern Hunan, from crossing the river. In any event the regulars contented themselves with sporadic rifle fire, making no attempt to cross. On March 10 the rebels, after one last wave of loosing, turned the city back to its officials and with-drew in an orderly manner.

The grievance of the revolutionary leader and his followers has been directed against the Vice Commander-in-Chief of the Peace Preservice. vation Army, General Li Mo-an, who was sent recently from Changsha by Governor Chen Chien to organize and prepare that part o his command area for the nation: I resistance to Communist threat from the The farmers of this area are known to possess gues for their individual protection, and it is reported that General Line his process of

acts on the part of L are said to be

the cause of the uprising. Leader Tsao declares his loyalty to the Nationalist Government, and especially to Governor Chen, while secking the overthrow and removal of General Li.

On the eleventh of March a negotiated agreement was reached in which the following points were made: 1) All the "rebels" at pre-sent under the leadership of Tsao Chen-ya would be formed into a division of the National Army. 2) Commander of this new division would be Wong Yuin-wha. 3) All the junior officers under Wong would be elected by their own men. 4) All pay, subsistence and supplies to this division are to be on an equal basis with those remitted to the Nationalist Army proper.

Tsao Chen-ya is to be commander of a regiment in this new army. At present, members of the liberation army have returned to their home villages and Tsao Chen-ya has gone back to his job in Hwanghsien to await the reorganization. Governor Chen is reported to be sending an official to Hwanghsien to count, interview and organize the new army.

Other parts of Hunan also are reacting to the weakened authority of the Central Government. Southwest of Changsha in Shaoyang, from where this is being written, life has become tense after many rumors of bandit attack. The present state of mind is best evidenced by a collapse of the market for staple commodities. First grade rice plunged from 7.60 to 4.50 silver dollars, even though transportation costs in this rice importing area have been increasing. All the police from the Hsien villages have been brought into the city for fear they would suffer the loss of their arms. A curfew has been ordered, and one night recently the lights of the city were kept on all night in anticipa-tion of an attack. However, the recent arrival of troops from the First Army Regiment has helped ease the tension.

Wu-kang Hsien, south of Shaoyang, has not been so fortunate and is now experiencing the discomforts of its own small revolution. Its rebel army, starting with fifty men, has grown, if rumor may be relied upon, to 2,000 men. A door-to-door canvas of the largest village yielded the necessary guns, flashlights, and tennis shoes to equip an army. Local tailors were set to work making uniforms from confiscated cloth. So far the influence of this group has not extended beyond the hsien boundaries.

Although not unduly Changsha watches with apprehension the two threats to her peaceof eight degree land will pay 160 organization had confiscated these the potential Hunan civil war to the a net profit tax system is employed.

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CHRISTIAN MISSIONS IN CHINA

A Chinese Christian

THE foreign missions in China are facing a situation today which they have never faced before. China has been going through a revolution ever since 1911, but we are witnessing a stage of that revolu-tion now which is unprecedented in scope and intensity in the whole history of social change in China. My feeling is that while the Christian missions were able to make a valuable contribution in China in the past and could truly be regarded as pioneers, prophets, fanatics and martyrs, they have become confused at the present time and have not only lost their grip on things but are also uncertain of the direction in which they should be going.

In the past decades the missions came to China as a leaven in, and a crusade against, the then existing order of society. They were fruitful not only in the introduction of new thoughts, new institutions and new ways of life, but also in the de-molishing of outmoded customs, practices and ideologies. The Christian churches, schools and hospitals were effective tools in the achieving of these aims. A Chinese who became a Christian in those days was a hero because in many ways he discarded the things that were behind and placed himself in a conspicuous position which was open to ridicule and persecution. The missionary, too, was a prophet because he was able to tell the Chinese what was wrong with their past and to point to them the way of the future. To put the matter in a nutshell, China was then a very backward country and the Christian missions from the "civilized" west brought with them a superior culture which the Chinese people needed even if many of them rebelled against it for a time because of social inertia.

New Situation

The situation today is entirely different. China is still a semicountry-and semi-colofeudalistic nial as well, many would say. But China's revolution is heading not toward the pattern of the west but toward one of her own creation which is designed to meet her peculiar needs. This is not of China's own choice; it is forced on her by her own travail and the general world situation since the end of the last war. In the first place, the pattern of the west—capitalism—is on the decline, although it still possesses great potential strength in its present monopolistic stage. The era of capitalism is coming to an end and it is impossible for a semifeudalistic country to develop itself fully into such a social order even if it wants to. In the second place, many people think-which is more

THE author of this article, who for oblious reasons prefers to reman anonymous at the present time, is a responsible Chines: Christian known personally to the editors. For some time he has felt that the Christen movement in China, particularly the part played by the foreign missionaries, was at variance with fundamental Christian concepts and was out of step with events in modern China. After considerable effort, he was persuaded to write out his views The whole question of the future place of the Christian movement in China is, we We feel, of great importance. have, therefore, invited both Chinese and foreign Christian leaders to present their views and will also welcome expressions of opinion from readers. -Editor.

realistic and practical just because it is in accord with the interests of the masses of people who are suffering from the old regime. If this is not a fact, then the growth of Communism in China, which is capturing not only the to ling masses but also the intellectual class, simply cannot be explained. Communism is steadily gaining ground in China and the likelihood it it will play a dominant, if not sole, role in the politics of China in the future.

Negative Attitude

What has all this development to do with Christian missions in China? Perhaps it is not ur fair to say that the Christian missions as a whole do not understand the resent trend of events and cannot see it in the historical perspective. They are, therefore, taking a more or less negative attitude to it. But even if they had understood the present development, they would not have taken a dif-ferent attitude, simply because this development is so contrary to the outlook and assumptions to which organized Christiani y has been accustomed. This negative attitude expresses itself in many different ways. In the first place Christian missions have magnified and exaggerated the shortcorings of the Communist movement in China. They They have pointed their finger at the alleged violence and strocities of the Communists, especially those connected with Christians, and regard themselves as suferers for the Christian cause. To y do not realize the fact that the Communists are

people may not want to support the

existing order whole-heartedly, and yet they would be reluctant to give it up in favor of something which they believe to be contrary to Chistian principles.

Why is it that the Christian missions and the Christian movement in China as a whole are opposed to the present development in China? It is because they are too much one with the existing order. Both capitalism and protestantism grew out of a revolt against the feudalistic society with which the Catholic Church was more or less identified at that time. Both stood for individualism and laissez faire which constituted the core of liberalism in the modern agc. Individ-ualism has its values; in many ways it contributed to the development of the human personality. But in other ways individualism has been the cause of many of the ills of our present social order. It elevates human personality by one hand and immediately destroys it by the other. It permits freedom of action for the individual and yet it brings social chaos to a world which is no longer divided by geographical distance. It has been the cause of an economy of plenty, of emancipation from the world of nature, but at the same time it has brought about social inequality, class conflict and international antagonism.

Toward Collectivism

The present revolution which is now going on in China and other parts of the world is a revolution which is trying to put collectivism in the place of individualism and a planned economy in the place of social anarchism. There are people who want to hold fast to the liberalism for which our present in-dividualistic order stands; they do not realize that the progressive disintegration of the present order will make this impossible. There are others who think that the present individualistic order should be changed, but that it should and could be gradually and peacefully evolved into a collectivistic order which will preserve the best elements in the liberalism of the present society. But the possibility of this has not been demenstrated by any group of nations in the modern world. But there is another disturbing factor. The present revolution is not taking place in a vacuum; it has to be carried out in a social setting which is preserved by force, implicit and explicit, and by an inertia which favors the maintenance of the status quo. Although this revolution will not mean the uprooting of everything in the present social order, because it will preserve much of its useful and the existence of communism in working for a new social order and wholesome groundwork, it would China has pointed a way to the that their plans ne essarily conflict amount, nevertheless, to the de-Chinese people — Approved FaraRelease 2006.04.21; CIA-RDR3.200415R003000060007 Acsent dominant class and that will mean a certain

amount of struggle in which violence and bloodshed will necessarily be involved.

The dilemma which we are facing today is this: The present social order simply cannot be maintained, even if we want it to be. A radical change is bound to come and it will mean more or less negation of the present individualism and liberalism -until the new collectivistic order is fully established. The change is forced on us and we have to pay the price for it. If we are not happy with the way in which others are attempting to bring about the change, it is up to us not only to devise better methods but also to demonstrate that these methods will work. But this, it seems, we are unable to do, We are facing a dilemma because we are in the situation of a person who is sick but refuses to recognize his sickness, and is trying his utmost to avoid the inconveni-ence, pain, and cost of having to consult a doctor.

Unfortunate Incidents

What is the situation in which the missionaries in China find themselves today? The Communists are steadily gaining ground; in due time, they may be able to bring the whole country under their control. In the so-called liberated areas the Christians, particularly the Catholics, seem to be experiencing a good deal of difficulty. Perhaps a good many of the reports about Communist atrocities and excesses are exaggerated or distorted. Yet it is beyond doubt that a good many of them are true.

There are various explanations for these occurrences, and we may take them for what they are worth. In the first, place, in a period of turmoil created by the civil war unfortunate incidents would take place

in spite of the bes intentions. This would especially be true when the fighting forces are newly recruited and lack discipline. In the second place, the Communists are carrying out a series of very drastic land reforms in the liberated areas which would naturally come into conflict with people who are big land owners or rich farmers or have in one way or another oppressed the common people. Christians who suffer in this way suffer not as Christians but as civilians who come under the operation of the new legislation. In the third place, a large percentage of our missionaries are American citizens and many of our churches get their support from American sources. The unfortunate fact is that the Communists regard the United States as an even more dangerous enemy than the present Kuomintang regim in China. They often connect the missionaries and the Christian churches with American imperialism. Whether or not the missionaries or the Christians are actually engaged in activities which the Commun sts consider to be subversive, they are under suspicion.

Broader Perspective

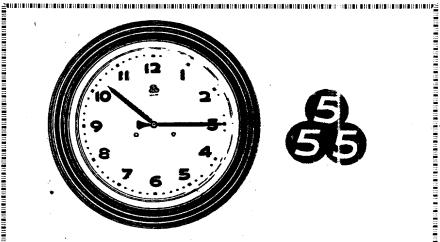
If these explanations have some degree of truth in them, then the whole situation takes on quite a different color. It would seem then that the responsibility for the unfortunate incidents lies just as much with the missionar es and the Christians as with the Dommunists. Our failure to deal with the burning issues in the present social situation has brought about communism, and our hostile attitude towards communism and the conscious or unconscious ties which we have with the existing order make the situation worse.

The failure on the part of the missionaries and the Christians to look at the whole matter from this broader perspective has caused them to take a negative attitude toward the present development. Instead of thinking in constructive terms as to how they can contribute to the build-ing of a new order and how they can lessen the evils which would inevitably accompany this period of change, they are thinking in terms of evacuation and withdrawal. Some even talk in terms of the "new catacombs" they may have to go into. All this is most unfortunate, considering the revolutionary and prophetic nature of the original Chistian gospel.

Whither Christian missions in China? It seems no one has even attempted to answer the question. In fact we cannot answer it until we are conscious of our involvement in the status que which necessitates radical change. But if we are conscious of it, then we shall see communism not as a menace to the things we hold dear, but as a challenge to the task which we should have taken up but have failed to. We may then see the vision of a new world of possibilities, in which we shall be able not only to do our part in building a new world but may also be able to convert many who now seem to oppose us in the Christian way of life. The fact that we do not see this vision is due to our obsession against communism and the Soviet Union. We have grown up with the present social order and have found ourselves comfortable in it even though it is full of contradictions. But the time may come when the march of events may open our eyes to the true situation and then, in repentance, we may be able to see wherein we have gone astray.

Whither Missions?

Whither Christian missions in in in in in it will be difficult for missionaries to answer this question for themselves. It will be difficult for Chinese Christians to answer it, because ideologically they are so much at one with the missionaries. The sad thing in our era is the fact that the United States as the richest and most powerful country in the world is trying to impose its social pattern on peoples and nations which are struggling for a new social order. Instead of allowing these peoples and nations to find their own way in the light of the situation they are in, the United States seems to be dictating to them, in fact if not in words, the way which they should go. This attitude of the should go. This attitude of the United States is facing obstacles in many parts of the world and it is now meeting with the most persistent opposition in China. Will the missionary movement in China be able to rise above this situation and to proclaim the prophetic word or will it seek the easy way and identify itself with the forces of reaction? The answer to this question China during the next decades.



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BANDITRY IN KWANGTUNG

Hsu Chien

WANGTUNG province is experiencing even more invest under its new governor, General Hsuch Yuch, than during the regime of T. V. Soong. This is not because General Hsuch, a famous commander in the anti-Japanese war, is any less able than T. V. Soong. The problems are just too big for any administrator who is powerless to attack the underlying causes of the people's discontent.

Hence the steady increase of banditry and Communist activities throughout the province. Even the central area, which has the most densely populated and richest his mot been able to escape such activities. To cite a few instances:

Peisha, a town in Taishan, was looted by a gang of more than 200 men armed with machine guns and other firearms. A taxicab on the Kongmoon-Sinhui highway was held up by four armed robbers who made away with several bags of GY notes worth around 12,000 Hongkong dollars. At more than one place river boats plying between Changsha and Kongmoon have been fired upon by bandits on the river banks.

In fact, waterway communications are a favorite target. At numerous spots along the river between Wuchow and Canton, river bandits impose a toll upon each passing vessel. This hampers the free flow of goods and causes commodity prices to increase even further. Firewood, for which Canton and its outlying regions look chiefly to Kwangsi, is an example. The heavy tolls exacted by bandits for allowing this commodity to pass through have boosted its price considerably.

East River Area

Waterway communication in eastern Kwangtung is even more precarious. From Waichow all the way up to Laclung scores of toll collecting stations have been established along the river and ships who refuse to pay cannot pass safely. Recently a strong military convoy had to be sent to escort hundreds of vessels down the river.

In the East River area, where the famous Communist East River Column operated during the war, the rural districts of a number of hsien, among them Haifeng, Lufeng, Sinfeng, Lungmen, Wuhwa, Tsichin. Tapu and Meihsien, have fallen into the hands of the Reds. Government officials find it extremely risky to stir out of the hsien cities, and when it is necessary for them to do so they very often disguise themselves. Government laws and decrees have no effect in areas 10 or 20 li beyond the hsien cities. The

once vice commander-in-chief of the land forces; General Lo Cho-ying, ex-governor of Kwangtung; and General Huang Tao, an army commander, have been aided and stripped of munitions and other property.

It is worthy of note that, while the Reds used to scatter over hilly regions and remote areas, they recently have been massing at points close to important communication lines. Scores of highway bridges in various hsien have been demolished, thus blocking motor traffic and impeding the movement of KMT garrison troops. Lofow Mountain in eastern Kwangtung has been occupied and developed into a strong base from which the Communists will be in a favorable position to strike at nearby cities.

Informants state that the Reds in this region have insued a kind of "People's Notes" in denominations of from one to 50 dollars for circulation in areas they control. Late in February, the exchange rate was said to be GY30 to one of these notes. Large transactions were said to be conducted chiefly in silver and retail trade in the People's Notes.

Southern K vangtung

Similar developments are taking place in southern Kwangtung. Three or four months are a whole regiment of the provincial Peace Preservation Corps led by Commander Chen I-lin rose up and joined forces with the Communists. Since this revolt, the Communists have been noticeably more active, using Suichi and Lienchiang as bases of operation. This has put the port of Kwangchowan, which already has been attacked

TITO DISCOVERS AMERICA"



once by Chen's mutineers, under constant threat and a strong garrison force has to be maintained.

Early in March, several thousand troops from Red-dominated Hainan Island crossed over to Suwen on the Luichow peninsula and were reported marching toward Suichi and Linkiang to join forces with their colleagues there. One story reports that when this juncture is effected the Reds in southern Kwangtung plan to contact Communists in the West River areas and make a drive on the vital central area of the province.

West River Area

The growth of Communists in the West River area likewise is a source of alarm to the provincial authorities. Since the uprising, toward the end of last year, of a militia unit led by a Chin chief of Tucheng, a town on the West River, numbers of peasants who are fed up with Government misrule have been joining the Communists. It is estimated that Red forces in the last two months have broken into upwards of 70 Government granaries and distributed the foodstuffs to the poor peasants. During the early part of March, strong Red units attempted to capture the hien city of Loting, and it was not until heavy reinforcements arrived that the KMT troops were able to force them to retreat.

Despite their relative inexperience, Red forces in the central area have displayed as much audacity in breaking into Government granaries and disarming local militia as their more veteran comrades in other areas. While in the not so distant past their raids were confined to smaller towns, they now apparently consider themselves strong enough to attack larger places. Two months ago the so-called "Sinkui-Kaoming-Hokshan People's Liberation Army" raided the hsien seat of Kaoming, burned down the hsien government building, broke into the granary and captured a quantity of arms. Recently this same force, numbering some 600 men, made a night raid on the city of Kaiping and was repulsed only after some three hours of fighting. Following this, a group of armed Reds suddenly appeared one evening in Chikhom, the main the contract of the town in Kaiping hsien, and posted up slogans, distributed handbills and talked to shopkeepers about the Communist policy of helping the people. These visitors made short work of their propaganda mission and made good their escape. All these activities have given the local authorities a bad case of jitters.

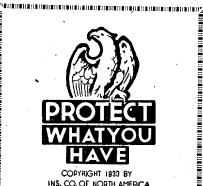
themselves. Government laws and decrees have no effect in areas 10 or 20 li beyond the hisen cities. The homes of KMT geverner eval of the Release 2006/04/21; CIA-RDP83-00415Re03300066000714 very least, the among them General Fan Han-chieh,

dinary bandits. Incidents like the following have made a great impresssion.

Last summer the Reds conducted a night raid on Dan Shui How in Kaiping hsien. They kept their hands off the inhabitants' property, however, although they were in a position to do as much looting as they wanted, since the garrison troops in the suburbs had been surrounded. In a hsiang in Kaiping, a band of armed Reds shot several bandits who, in the name of the "People's Liberation Army," had plundered a passing bus. They requested the local inhabitants to report the execution to the hsiang

Awaiting Communists

The sentiment of the people, in fact, is more and more on the side of the Reds. One old man of well over 60, a hsien councillor of Kaiping, openly told his friends that he was awaiting the arrival of the Communists, saying, "Since the Communists have been in the North for so long, why don't they come down to the South sooner?" This is the boldest remark about communism that I have heard made publicly. It is to be understood that the old man is a local luminary who has been in public service for scores of years. Hence he is in no fear of being redbaited merely for having made an "undesirable" remark.



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The Week's Business

THE Shanghai market ruled firm expenses for April should be someduring the past seven days where around GY10,000,000,000 or under review. B cause of the large GY15,000,000,000. sums paid out by the Central Bank of China for Government and military use, as well as large sums remitted here from outports, the money market was easy and as a result people rusted to buy financial articles and commodities.

That inflation is getting worse and worse every day can be seen from the fact that the printing press finds it impossible to keep up with the increasing demand for cash notes. During the past three weeks, there has been a severe shortage of cash notes in the local market and premiums of as high as 20 percent are being paid for cash.

A number of factors, in addition to the printing press bottleneck, are responsible for this situation. Among

the important on s are:

1) Large sums of cash notes are reported to have been distributed or are being reserved for distribution to Government offices by the Central Bank of China and, as a result, no cash notes are available for distribution to the commercial banks and business firms.

2) For the past month, the Central Bank of China has refused to issue notes of denominations bigger than GY500 and GY1,000 on the reasoning that the issuance of big denomination notes would stimulate the markets and cause a general rise in quotations. The authorities apparently do net understand that the necessity of issuing big de-nomination notes is a result rather than a cause of inflation.

3) The buying and selling of silver dollar coins by large numbers of people on the streets is reported to have kept large sums of Gold Yuan notes from circulation else-

where.

The situation has deteriorated to such an extent that the Central Bank has found it secessary to issue Banker's Checks in denominations of GY5,000; GY10,000; GY50,000; and GY100,000 for circulation in place of cash note. If this practice is continued and if there is no limit on the issuance of these checks, it is generally feared that commodity prices will increase very fast, since it is far cheaper to issue Banker's Checks than cash notes.

According to the Financial Daily, which is reported to have some connections with Dr. S. Y. Liu, Governor of the Central Bank and concurrently Minister of Finance, the Government paid out G740,000,000,000 as political and military expenses during the month of Pebruary. During the first 19 days of March, as much as GY159,400,000,000 was paid for political and military expenses, and the estimate for the entire month of March is over GY200,000,000,000, or an average of CY7,000,000,000 per

Under this situation, it is hardly possible for the Government to arrest price increases by the sale of gold as the Central Bank of China is continuing to do in the newly reopened Shanghai Gold Exchange. The daily receipt in Gold Yuan notes from the sale of gold by the Central Bank is estimated to be GY5,000,000,000 or GY6,000,000,000. For some days, however, it is only GY1,000,000,000 or GY2,000,000,000, and on many days the Central Bank have the days the Central Bank has refused to sell gold. With the Central Bank's outpayments for political and military expenses increasing daily, it is difficult to see how the present policy of gold selling can recall sufficient Gold Yuan notes to check the increase of prices.

Another byproduct of this unchecked inflation is the serious crisis faced by local factories. Only paper mills engaged in the manufacturing of banknote paper can make good money and keep busy. In the leading Tien Chang Paper Mill, all machines will suspend operations by the end of March, except the one used for the manufacturing of banknote paper. In general, it is reported that for the manufacturing of one ream of newsprint, the local mills lose a sum equivalent to two reams of newsprint. This is due both to the high cost of production and the low market price. Paper mills must buy highly priced foreign exchange clearance certificates, in order to import pulp and other materials, thus boosting costs, while because of the general weak conditions in the com-modity market in face of the concentration of Communist troops on the northern bank of the Yangtze River, market prices are poor.

Conditions in other factories are reported also to be very dull. Between 70 and 75 percent of the underwear manufacturers in Shanghai have suspended operations. Many of the leading knitting mills in Shanghai are working only seven hours a day. The dyeing and weav-ing mills have had their working capacity cut down by 50 to 60 percent and the textile mills have been incurring losses regularly because of high production costs. The woolen textile industry has only one month's supply of raw materials, and the marketing of woolen yarn is almost

The following table gives the quotations on March 23 and 30:

	Mar. 23	Mar. 30
	$\mathbf{G}\mathbf{Y}$	$\mathbf{G}\mathbf{Y}$
Gold	554,000	800,000
US Dollar	12,450	16,000
Clearance Certificat	e 10,900	16,000
Silver Dollar	7,900	12,000
20's Yarn1	1,880,000	2,930,000
Rice	60,000	89,000
WennsonBoado n	7.28	9.75

NEWS OF THE WEEK

Peace Talks Commence In Peiping; Communists Shift To City Policy

PEACE negotiations between the Government and the Chinese Communists are expected to begin in Peiping on April 1. The Government's peace delegation is headed by General Chang Chih-chung, the other members being Shao Li-tze, Huang Shao-hsiung, Chang Shih-chao, and Li Cheng. The Communists are represented by Chou Enlai, Lin Piao, Yeh Chien-ying, Lin Pei-chi and Li Wei-han. The Government has accepted Communist leader Mao Tze-tung's eight terms made public on January 14 as the basis for discussion.

According to the Chinese-owned China Daily Tribune, the maximum concessions the Government is expected to make on these eight points are as follows:

1) In the matter of the punishment of war criminals, the Government will request the Communists not to adopt an attitude of "retaliation", but will agree to the complete withdrawal from politics of such leaders as were ardent advocates of the civil war.

2) With reference to the abrogation of the Constitution, agreement will be given to the convocation of a new National Assembly truly representative of the people in the country for a referendum.

3) The question of the abolition of the legal status of the present Government is considered of no consequence in view of the expected formation of a coalition Government if the peace talks succeed.

4) The reorganization of the Army should be carried out on the principle of the nationalization of the armed forces.

5) As to the confiscation of bureaucratic capital, the Government will agree to its requisitioning on a fair basis.

6) The enforcement of land reform is also the policy of the Government.

7) The abolition of "traitorous" treaties can be effected after careful study of existing agreements.

8) Complete agreement is expressed with the convocation of a new Political Consultative Conference for the establishment of a coalition government.

Army Issue

IT is understood that the Government is willing to make "reasonable" concessions in order to obtain Communist agreement for an immediate cease-fire order and to freeze both the Nationalist and Communist troops at their present position.

be the first demand of the Nationalists on the grounds that continuation of fighting is not conducive to peace negotiations.

Well-informed sources predict that the question of reorganization of the armies is the crux of the peace issue, and it is generally feared that the peace talks may breakdown on this point.

Before the departure of the Government's peace delegation, a series of important conferences were held by responsible generals of the Ministry of National Defense to discuss the reorganization of armies. Acting President Li Tsung-jen, Premier Ho Ying-chin and all members of the peace delegation also were present at these conferences. Results of these talks were guarded as top secrets, but it is understood that, after much deliberation, the Government adopted certain formula which would "possess the dual feature of being acceptable to the Communists and at the same time be capable of maintaining the entity of the Nationalist Army which Generalissing Chiang Kaishek laid down as one of his requirements for a peace settlement."

Peace—A Question Mark

PUBLIC reaction to the opening of peace talks have been a mixture of hope and apprehension. A United Press story dated March 27 from Nanking makes interesting reading. It reads in part as follows: "The question on most aps was: Can it be possible? To most cautious observers peace prospects are a question mark at best.

"At present none inside or outside the Government would dare to predict the ultimate outcome with honesty of conviction, but innermost thoughts of the majority were echoed by the president of National Peking University, Dr. Hu Shih, who spoke the scholastic sentence that 'peace is harder than war,' and by the remark of a prominent legislator who wanted to remain anonymous that 'if the forthcoming talks produce peace it will be the first miracle in two thousand years.'

"Possibility of some sort of a settlement, however, was not ruled out, but even if a settlement is reached competent opinion is that it at the most can only be a truce, an armed truce, not peace, because of the known Communist obsession with their revolutionary aims and their fanatic attachment to their political principles which brooks no

"It is generally doubted if the Communists can be persuaded to modify their ultimate revolutionary objective of wiping out all opposition and enveloping the whole country under their one-party rule. Unlike the previous Marshall-mediated negotiations, the Communists this time will call the tune in the talks and it is believed will agree to down arms only on their own terms.

"The Government appeared under no delusion as to the severity of the Communist terms. As said by Shao Li-tze, one of the Government delegates and staunch peace advocate, the prospects cannot be bright as long as the Communists insist on their original eight condi-

tions.

"As the situation stands today one trump card in the hands of war weary China is the popular clampr for peace, as Chang Shih-chao, member of the Government peace delegation, said. Chang believes the force of public opinion may influence the two warring factions to awaken to the good sense of settling peacefully the backlog of hatred and political difference accumulated over 20 years of fighting.

years of fighting.

"Both the Kuomintang and Communists in their public statements have taken cognizance of public opinion and avowed a desire for peace, and many observers have come round to the view that apparent Kuomintang and Communist reluctance to shoulder the odium of wrecking the peace talks once they had started may also be regarded as another contributing factor to the cause of peace.

cause of peace.

"The Kuomintang's desire for peace is considered easy to understand in view of its lack of will and strength to continue the fight, but the Communist position is said more complicated."

KMT Unity

THE success or failure of the Government in making an "overall," and "honorable" peace with the Chinese Communists will in large measure depend on whether the Government can present a solid front in dealing with the Reds. Latest developments in Canton are being watched with interest and attention. After the return of Sun Fo to Canton, political activity in South China is said to have been in full swing. The sudden visit of T. V. Soong to Canton and Chikow, where Generalissimo Chiang Kai-shek is staying in "temporary retirement," has already aroused much speculation.

ready aroused much speculation.

The Associated Press reported March. 26 from Nanking: Acting President Li Tsung-jen last night asked Premier Ho Ying-chin to fly to Canton in an eleventh hour effort to bring greater unity to Nationalist China before peace talks open with

troops at their present novider difference of the second o

delegation and other top officials joined Li Tsung-jen at a meeting late last night in urging the Premier personally mier personally to tackle that southern focal point for political opposition to the Government's policies. Top Nationalist leaders met to renew their planning for the forthcoming negotiations.

"Ho Ying-chin is now tentatively scheduled to fly to Canton next Friday. He will confer with regional leaders there and members of the Kuomintang's Central Political Council and Central Executive Commit-

"The activities of Nationalist leaders favoring a more uncompromising. attitude towards the Communists is centered in Canton. Right wing leaders there fear Nanking will make too many concessions to the Communists.

Rumors are persistent that the Central Executive Committee of the Kuomintang is going to hold a full session in Canton some time next May. By that time, the success or failure of the present peace negotiations between the Government and the Communists will have become known. The decision the CEC of the Kuomintang will make at that time will be momentqus. It can approve or veto any agreement that the Government in Nanking under Li Tsung-jen and Ho Ying-chin may have reached with the Communists. If the talks should prove fruitless, the CEC will undoubtedly map out plans for continuing the fight. According to the Chinese newspapers, Teng Nien-fen, secretary-general of the headquarters of the Kuomintang, has gone to Chikow to ask the Generalissimo for personal instructions on the question.

New Policy

WITH the removal of the Central Headquarters of the Chinese Communist Party from Shihchiachuang to Peiping on March 25, the ancient capital is humming with political activity. The holding of peace talks in Peiping only adds to the importance of the city.

A new orientation in Communist policy was ordered by the Central Executive Committee of the Chinese Communist Party which, in a resolution recently adopted, provides for shifting the centers of gravity party work under present conditions from the rural districts to the cities. The said resolution reads inter alia: "The period of bottling up the cities with the rural districts is now ended. A new period has begun of working from the cities to the countryside. Of course the countryside must not be cast aside. But the center of gravity of party work must be placed on the cities... The party must do its utmost to learn how to lead the urban people to struggle successfully and learn how to adsuccessfully and learn how to administer and build up the cities."

The Communists take a serious

view of their city work which consists mainly in restoring and expanding production. The Communist party membership is warned to that the Communists Approved by the Communist

out and collapse unless they can step up production and improve the livelihood of the people.

Communist work The shift \mathbf{of} from the rural districts to the urban areas indicates that the Chinese Communists are well on their way to a nation-wide victory.

Barr's View

GENERAL David Barr, chief of the United States Military Advisory Group to China, recently told the Senate Foreign Relations Committee that the Chinese Communists could take over most of Nationalist China at will. In Barr's view, the Chinese Nationalist armies had disintegrated through defections in top officers' groups and had little will to resist the Communists.

He urged the United States to make certain to keep its agents in China regardless of the political situation so "information would be forthcoming, even if China went be-

hind the Iron Curtain."

The Communists apparently were surprised by their own rapid advances, Barr said, and stopped at the Yangtze River line because they are not ready at this time to assume administrative responsibility for all China. He predicted they expand their control when proper preparations had been made and that after some years Communist control over the entire country is

likely.

In this connection, it will be interesting to recall that Barr on a former occasion had already stressed the point that from a purely mili-tary point of view the Nationalists have very little to prevent the Chinese Communists from sweeping over the whole country and that as far as he had been able to understand the Nationalists had not lost a single battle for lack of arms and equip-ment. The root cause, Barr said, was that the Nationalists have completely lost their will to fight as the result of poor generalship and bad treatment of soldiers.

Arms Program

IN order to give teeth to the. Atlantic Pact, the State and Defense Departments of the United States are reported in the press to have prepared a US\$1,800,000,000 arms program for Western Europe and other "free nations" as down payment on a long-range military program to "resist Communist agprogram to gressions."

Administration officials in Washington revealed the arms program drafted for Congressional action approximately US\$1,200,contains 000,000 for Western European nations signing the Alantic Pact. The tions signing the A lantic Pact. remainder of the funds would be earmarked for use in Greece, Tur-key, Iran Latin America, the Philippines and possibly other non-Communist areas.

The global arms project is now under consideration by the Budget Bureau. The legislation would cover arms aid for friendly nations between WHISTLING PAST THE GRAVEYARD



Justus in Minneapolis Star

larger amounts for at least another three years if the East-West tension

In the proposed legislation, Truman would seek wide authority to allocate funds between Atlantic Pact members and other nations whose security is vital to the United States. This would allow swift movement of military supplies in the event Russia stepped up pressure on any country scheduled to receive arms or on any other non-communist nation. One top official said security aspects of the arms program may make it mandatory that Congressional hearings be held in secret.

Pacific Pact

IN significant contrast to the agitation in the Chinese press for a Pacific Pact on the pattern of the Atlantic Pact, lukewarmness or even open opposition to such a pact was displayed in the United States and Britain. The British New Statesman and Nation condemned the idea of a Pacific Pact as conducive to war and an ineffective answer to Communism.

An article in the magazine said: "Is it their object to stem the tide of revolution, or is it to recognize the urgent need of great social change and seek ways and means of friendly cooperation? There is danger that what they are actually creating is nothing more than a new series of alliances among nations for the strategic encirclement of revolutionary heartland of Asia."

On the prospects of such an alliance the article said: "The idea of a Pacific defense pact is not constructive policy, and it is no answer to the appeal of Communism. It gives only the impression of panic. If any proof were needed that military aid cannot defeat Communism it is found in the complete failure of American policy in China."

It said present concentration on a Pacific pact "only encourages the idea that war is inevitable. It is driving Communist China into the position where the Yangtze becomes a Soviet frontier. American policy is too suspicious for such a pact to countries of

The Review's English Lesson—LXXVI

MR. T. F. Wang writes from Fukien about a question of tense. He quotes a sentence from "Nanking College Crisis" in the March 12 issue, which reads, "After the troubled days of last spring following the May 20 demonstrations, the student self-government had been disbanded and all extra-curricular activities prohibited. He questions the word "after", suggesting "since" as better. It seems to us that the sentence is unnecessarily complicated by using a topsy-turvy order of time. Logically, since the May 20 demonstrations occurred first, they should be written first; next, the troubled days; and lastly, the prohibition and disbandment. Thus, the sentence would perhaps be clearer if written, "After the May 20 demonstrations, resulting in the troubled days of last spring, student selfgovernment was disbanded and all extra-curricular activities prohibited." In the original sentence, the use of "had been" is incorrect, unless the sentence were to continue, "....when (something else happened)." As it stands, the prohibition and disbandment simply happened, one time only; therefore, the simple past tense of the verb is correct.

R. A. L. Chen of Wenchow is back with us again. In addition to his questions on grammar, he wants to correspond with others interested in English literature and language. His address is 24 Chung Ching Road N., Wenchow, Chekiang. His questions follow:

Chinese John the Baptist: A pen-name or pseudonym, probably chosen because of the writer's prophetical tone.

Popeyed: A manner of looking; with protruding, bulging eyes; hence, with great surprise or amazement. Also, "goggle-eyed."

Dear: In, "Experience is a dear school (or, teacher)," the word means costly. "Dear" is frequently used in this way in England; in America, the usual expression is "expensive."

After life's fitful fever: Here, life is compared to a fitful (recurrent; coming and going; uneasy) illness; the poet was evidently not feeling too happy about life at the time.

Play ball: To cooperate, to carry out an agreement, as in, "If he refuses to play ball with the landlord interests, he'll have a tough time in office."

Revenue: Return, income; tax revenue. In, "More revenue airline miles are flown...", the meaning is that the miles flown are on freight or passenger capping eligible. Release 2006/04/21: ducing income for the airline.

Call the turn: To predict the future correctly; or to be in a position of authority. In "...a pretty good record, as far as calling future turns is concerned," the meaning is evidently prediction.

Implementing: This verb, "to implement", has come into vogue in officialese, meaning, simply, to do, or carry out, or make effective. "To implement a directive" means to carry out an order. In the example given, "implementing the line that the Communists are receiving.... aid," the meaning seems to be that the idea that the Communists are receiving aid is receiving support or corroboration.

Line: As used in "a bitterly anti-Communist line," it means policy.

Epic: A long, heroic poem, dealing with high and noble actions, written in an elevated style. In "the Chinese Communists consider their great epic the Long March," the adjective form might better be used, inasmuch as, so far as we know, no epic poem has actually been written on the Long March. However, the noun form is frequently used to characterize a heroic action or story in this way.

Marry: To join in wedlock; the man is said to be married to the woman, or vice versa. In answer to the question, "Does the man or the woman marry," the answer is, "Both," since, in order to have a marriage at all, there must be both a man and a woman participating.

On down: As used in the phrase, "from the President on down," the expression indicates all those who are of lower rank than the president; in other words, most or all of the Government members.

Bamboo curtain: Since China is said to have absorbed all would-be conquerors and invaders, it has apparently also done the same with the so-called "iron curtain" of eastern Europe, which in China is spoken of as the "bamboo curtain." Both terms designate the imposing of a blockade against the West by Communist governments.

Chip on the shoulder: One who has a chip on the shoulder is touchy, suspicious, hostile, resentful. As used in "chip-on-the-shoulder attitude," the words are hyphenated to indicate the adjective form.

Pep: In "pep talks," it means exhortations to greater efforts.

ff: As in, "pp. 13 ff.," pp. is "pages", ff. means "and following pages;" in other words, page 13 and following.

Blueprint: Originally a chemically produced print of an engineering drawing, by extension CHACK DP830001 SR00800060000 as in "the Government's peace blueprint."

Chinese Magazine Roundup

Revelation



AMERICAN designs on the island of Taiwan are alleged in the liberal Revelation magazine of March 19. The magazine quotes an

AP story dated March 10 from Tokyo as saying: "American military authorities in Japan are paying close attention to current rumors that Communist elements have infiltrated into Taiwan. If Taiwan, a key link in the chain of American defense in the Far East, falls into enemy hands, America's lines of sea communication to the west would be cut while American advance air bases on Okinawa would be laid open to enemy attack. Now that Communist elements have invaded into Taiwan with the influx of important Government officials, it is the hope of American military authorities that the US will see to it that this island is always held by a nation friendly to the United States no matter how the situation on the mainland of China may change."

The magazine makes a detailed analysis of the Al' story and comes to the conclusion that the United States is looking at Taiwan with a

covetous eye.

"It can be readily seen," the ma-azine writes, "that the intentions gazine writes, "tnat the intentions of the United States Government with regard to Taiwan are thoroughly revealed through the mouth of the American military authorities in Tokyo. The AP story brings the following three points into promin-

ent relief:
"As the key to America's control of the Far East and to her sea lines of communication in her westward advance, Taiwan must be put firmly under American control so that America can become the real master of the Pacific and her expansionist national policy will not be thwarted.

"It logically follows from the above that, though the influx of Commun-ist elements into Taiwan is an in-ternal matter for the Chinese Government to worry about, still, as this is no time to conform to legalities, 'American attention' is definitely called for in this matter. To make things even worse, 'American attention' is openly focused on the activities of 'important Government officials' in Taiwan.
"'No matter how the situation on

the mainland of China may change' should of course be taken to mean that, with the exception of Taiwan, the rest of China can be put under the rule of any political system, but it is the wish of America that Taiwan should be forever controlled by a nation friendly to the United States.

"With regard to the first two points, we venture to say that the Chinese authorities in Taiwan have

Chinese authorities in Taiwan have and many relatively large mining plants were restored to their original owners, and loans were issued American friends Approved For Release 2006/04/21nt GFA RDP83-004-15R00300006000 F44in the resumption "Take just one instance, in

the control of remittances and of the entry of Chinese citizens, we do think our Taiwar authorities are less strict than the immigra-tion authorities of Washington. To charge that Communist elements have succeeded in entering Taiwan, with the help of 'important Govern-ment officials,' is indeed bitter criticism for Taiwan authorities to swallow.".

Sea Tide

N view of the fact that the Chinese Communists have recently decided to shift the center of gravity of their party work from the ity of their party work from the rural districts to the urban areas, the Sea Tide weekly of March 4 carries a timely and highly informative article on the Communists' industrial policy.

According to the article, the basic objective of the Communists in this respect is to expand industrial production and to improve the living

conditions of the workers.

"The reconstruction policy adopted by the Communist; in liberated areas aims to develop the various industrial enterprises on the basis of requirements and copacity, and in ac-cordance with measured steps," the article says, "bidustries damaged by the war are to be restored with Government help if necessary; production power is to be increased, production costs lowered, and production increased both quantitatively

and qualitatively.

"The development of industrial undertakings is to be accompanied by higher profits and higher wages so that general income levels may be raised. Re-production processes are to be promoted with the building of organic structures for the accumulation of industrial capital. At the same time, labor efficiency is to be improved and the living conditions of workers improved through the application of the principle of 'benefiting both labor and capital.' The supply of material resources from rural areas for cities, and the supply of finished products for rural areas from cities are both to be increased, and the economic ties between the two regions are to be strengthened.

"The basic objective, therefore, consists in the promotion of industrial undertakings and improving

conditions of worlers."

Contrary to prevailing fear about Communist hostility toward capitalists, the Chinese Reds, the magazine discloses, are enlisting the cooperation of private capital in their efforts to restore and expand industrial production.

"After VJ Day," the article says, "the liberated areas were expanded to include many middle-sized and small cities and towns, some towns and cities of larger size,

trial activity; hence the industrial

conditions in the liberated areas became an important field of activity.

"It was then felt that in order to develop various light and heavy industries on a larger scale, the co-operation of the capitalists in the liberated areas was necessary. Ex-perience gained also indicated the practicability of encouraging private industrial undertakings. Many enterprises formerly operated by the state in the Shansi-Chahar-Hopei Border Area, for instance, have either been turned over to private ownership or else have encouraged private investments. The same policy is put into practice in other liberated

"Such a tendency, it will be seen, serves to promote the development of industrial capitalism. This encouragement of private industrial capital must, however, be distinguished from the oppression of naguished the coppression of na-tional industrial capital which is practised by the feudalistic, com-pradore, and bureaucratic capitalists of Nationalist China."

In order to step up production, the Communists are reported by the magazine to have improved labormanagement relations and technique.

The article notes:

"One of the first problems receiving attention from the authorities is the improvement of organization and management as well as the improvement of production techniques. With reference to the latter, in addition to improving existing technical methods, special attention is given to the introduction of new and more effective production methods.

"The acquisition of adequate supplies of raw materials to insure continuous production, the best use of production tools, and economy in the consumption of raw materials are other factors taken into serious consideration in efforts to increase productive power."

In conclusion, the magazine de-clares that the industrial policy of the Chinese Communists so far has been fairly successful, saying:
"The majority of coal mines have

been restored and most are operating on a normal basis. Other mining enterprises, including gold, mica and iron have also been re-opened in the various districts. Most power stations and other utility services have been restored.

"Many enterprises formerly oc-cupied by the enemy or forced to suspend operations have been res-tored to their rightful owners when the democratic government established its authority. Mention may be made of the Tai Chang Flour Mill at Kan Tan; the Tsi Foong Flour Mill at Tsining; the Chang Yu Brewery at Chefoo; and the Sui Feng Flour Mill at Chefoo. All these

of operations.

US Magazine Roundup

New Republic

THE North Atlantic pact is analyzed by Blair Bolles, director of the Washington Bureau of the Foreign Policy Association, in an article in the February 21 New Republic titled "Will The Pact Save Peace?"

Mr. Bolles recalls that "the Other Continue dislocation in the Formula in the Policy Republic Continue dislocation in the Policy Republic Policy Re

Century diplomatic boneyard is littered with dead defense treaties that failed in their purpose." present treaty, he says, was drafted on the assumption that "the show inter-country solidarity smother the aggressive tendencies of Soviet Russia. But the inevitable consequence of this kind of treatymaking is to provoke the other side to make treaties of its own. . . Nobody keeps the peace by an alliance race. Alliances simply inflate suspicion."

One practical difficulty in connection with the treaty, Bolles points out, is that, although the European nations want "an absolute guarantee that America will go to war the moment any of them is attacked," no such guarantee can be provided under the American constitutional structure by which Congress alone is authorized to declare war.

But apart from this, he adds, there are a number of "deeper questions" that the pact raises: "Considering the inability of America to go to war automatically, does the prospective treaty's capacity for exciting the Soviet Union to counterprospective measures exceed its ability to strengthen the West to resist the Soviet Union? Can it bind us to support of reactionary colonialism which strengthen's the Soviet's appeal? Since the Dutch would surely be our colleague in the treaty, one may ask whether we would be urged to go to war to save the Dutch from the consequences of some imperialistic stupdity like their attack on the Indonesian Republic. One may ask also whether the draft articles would be fatal for the United Nations, although they are rich in references that institution. $\mathbf{A}\mathbf{bove}$ would the treaty make the cold war a permanent feature of world politics, by creating an insuperable barrier to the eventual establishment of East-West differences?"

Turning to the relation-line barriers to the relation barriers to the relation-line barriers to the relation-line barriers to the relation-line barriers to the relation-line barriers to the relation barriers t

Turning to the relationship between the pact and the United Nations, Mr. Bolles points out that it is not clear just how the pact proposes to adjust itself to the veto nower in the Security Council. "If power in the Security Council. the alliance is intended to circumvent the veto power in the Security Council," he says, "its sponsors cannot be taking seriously the require-ment of the Charter that members of regional alliances clear their actions and decisions with the Security Council." Actually, he recalls, "the Charter makes the old-fashioned defense alliance futile, Asince to de pote Release and 96494321ph cished personal process of the control of the c

enforcement action may be taken under regional arrangements without specific authorization of the Security Council.' Therefore, he concludes, "the alliance can operate

only by defining the powers of the UN to suit itself."

Mr. Bolles also points out that the United States lacks sufficient steel output to provide the amount of military equipment that the European nations went. "If America assumed an obligation to furnish every member of the alliance with arms by signing the pact, she could not live up to it," he says.

Mr. Bolles believes there are other United States could courses the

"The first alternate course," he says, "is to distribute weapons from America to individual countries after making agreements for the standardization of arms and after broadening the existing Anglo American Combined Chiefs of Staff Committee to include representatives of all the arms recipients. That would strengthen our friends militarily and enable the friendly Westerr powers to consult continuously about military problems without formally creating an impervious bloc that would barricade future progress toward the resumption of worldwide coopera-

"The second alternate course is to negotiate a pact which provides for universal membership, following the recommendation of Hamilton Fish Armstrong, editor of Foreign Affairs. A pact of limited membership would be in effect only an extension of the Truman Doctrine. But a wider instrument would lose the character of a political weapon aimed at some portion of the world. It would stand instead as the foundation for the system of worldwide peace enforcement which the authors of the United Nations Charter intended to create but which they have never been able to achieve.'

Far Eastern Survey

CHINESE libraries have done a remarkable job in resuming their scholarly activities since the war, according to a report by Gussie Esther Gaskill published in the March 23 issue of the Far Eastern Survey. Miss Gaskill is curator of the Wason Collection on China in the Cornell University Library and spent several months in China last year.

She reports that most of the larger libraries, such as the National Library of Peiping and the National Central Library in Nanking, have made a full recovery and are "ready to go ahead with all the vigor of prewar days."

"Most of the libraries," she reports, "still need Western periodi-

a lack of funds has made it impossible to subscribe to periodicals or purchase books abroad except on a very limited scale . .

"Most Chinese libraries need more money for practically everything—for books, for buildings, for staff, even for the minimum upkeep and heating of existing buildings.

As for the future of Chinese libraries under a possible new regime, Miss Gaskill writes: "Peiping is now under Communist control, but most of the staffs of the libraries and universities are apparently still there. In the circumstances all they could do was to continue their work and hope for the best. A New China News Agency dispatch of January 24, 1949, reports the taking over of Tsinghua University on January 10. A representative of the Military Control Commission for the Peiping district met next morning with the University Affairs Committee, the acting chairman of which is the well-known philosopher Fung Yulan, and explained the policies of the Commission as follows:

"'1. From now on, the cultural education for Tsinghua should be the realization of the new democracy, the abolition of those elements of the old educational system that are anti-masses, and the reform of those items in the old system that

are alienated from the people.
"2. The thorough reform education is a complex affair, requiring gradual progress. The prequiring gradual progress. The present organization, except the Kuomintang indoctrination set-up and the anti-revolutionary activities of the Kuomintang and the San Min Chu I Youth Corps, is to be categorically maintained. The hidden firearms of the Kuomintang special agents are to be confiscated by the

University Affairs Committee.

"3. University expenses will be borne by the Military Control Commission. The present ranks and remunerations of the faculty and staff members are to be maintained. Later promotions and demotions will be effected in accordance with the merits or demerits of each case."

"In the afternoon these policies were stated and explained to a general assembly of the University. Later in the same day there was a regular faculty meeting attended by about a hundred professors, at which the representative of the Military Control Commission spoke briefly on the 'progress made in industrial, agricultural, cultural and educational fields in the liberated areas, emphasizing the high regard science and technical research as well as the guarantee of freedom of thought and belief by the Chinese Communist Party and the People's Government.' The members of the University may have reason to hope that, for a time anyway, the situa-

What Chinese Papers Say

VIOLENT protest was voiced by conservative Chinese papers against any possible change in China's foreign policy

as the result of the appointment of the Chinese ambassador in Moscow as the new foreign minister. extreme gravity of the present economic crisis was discussed and hope was expressed that the Government will do something about it before the situation slips out of control.

Foreign Policy

THE Kuomintang-controlled Shun Pao reasoned that there really is no need to worry about any change in the foreign policy of the Chinese Government. The reasons advanced by the paper are as follows:

"In the first place, Ambassador Fu is still considering whether he will accept the new appointment or not. And even if he accepts the post, returns to China, and takes office, it cannot be said that an Ambassador to the Soviet Union must be 'pro-Seviet.' Let us take the case of Mr. William Bullitt. He is today one of the leading anti-Soviet personages in the United States, but he was once ambassador to Moscow. Moreover, in the years Ambassador Fu has been in Moscow, it is doubtful if he had had very many personal interviews with Stalin and sonal interviews with Stalin and Molotov, and we also do not know what the Soviet authorities think of him. Therefore, even if he wants to be 'pro-Soviet,' it is not an easy thing to accomplish.

"In the second place, the existing foreign policy pursued by China must continue to be based on the basic stand of independence and sovereignty and follow the middle of the road course. On the one hand, she naturally welcomes both economic and military aid from the United States, while on the other hand, she has entered into a Treaty of Amity and Alliance with the Soviet Union for thirty years, and her relations with the Soviet Union are not less cordial than her relations with the United States. Thus if, as supposed, China is to pursue a new foreign policy by following the Moscow line, what good will it do her? This is a very serious problem, for such a wavering attitude without an established basic principle will grave danger to the country.

"In the third place, viewing the present international situation, the conclusion of the Atlantic Pact can only aggravate the cold war between the East and the West, though it is not expected to be transformed into a hot war immediately. As China is a big nation in the Pacific region, at the present moment when a Pacific Pact is brewing, it is all the more necessary that wapproved for Release 2008/04/21 components of two months great care and strongly maintain our Soviet Union is remembered for was too optimistic an estimate."

attitude of opposition to totalitarian aggression. At a time when more than 50 US Senators (more than half of the total number of Senaters) signed a request for increased aid to China, it is vidiculous to say that the Chinese Government should take the Moscow line. The Ho Cabinet cannot be so foolish. And even if the Cabinet wants to act in such a manner, the people will not allow it.

The Catholic organ, Yi Shih Pao asked General Ho Ying-chin, the new premier, to reconsider the appointment of Fu foreign minister, Ping-chang pointing any change in the foreign policy of the Chinese Government is most likely to lose aid from the United States, on which China must depend

if she is to become strong.

"The tendency to make a change in China's foreign policy is dangerous" the paper said. "For whatever the real motive of the Government may be, the appointment of the ambassador to Moscow as Foreign Minister must at least lead the American authorities to think that it is an indication of China's readiness to be more closely allied with the Soviet Union than with the United States. It is true that US China policy during the past three years has given us cause for dissatisfaction. Especially the inadequacy of US aid for China has dealt a heavy blow to the Government which has been placing such reliance on the There is therefore no doubt aid. that the Government is somewhat disappointed in, and dissatisfied with, the United States. But everyone knows that up to this very day we are still receiving American aid and that the United States is the only nation which may continue to give us aid. Accordingly, apart from considerations of a traditional friendship spread over decades, even from the realistic point of view alone, it is necessary that we treasure and preserve the existing friendly relations between China and the United States. If we adopt a foreign policy in which we show coldness for a friendly intended who has been nation helping along and express us all special warmth for the nation which is most guarded against by the first one, the it will only be natural that suspicions and anxiety will be aroused, and the harm which we may do

may be irreparable.

"As a matter of fact, the problem is very simple. If the Government wants to become strong, it needs American aid. To win American aid, it must retain its established stand and show its friendship for United States

"It is not only impossible, but also impractical, for a weakened China, standing between the two strong powers of the United States and the Soviet Union, to adopt a policy of

many of her past wrongs inflicted on the Chinese people, and since at the moment she is fostering the Communist Party, her friendship should not be cultivated, and moreover, it cannot be cultivated. Even if China, in the pursuance of her foreign policy, cannot effectively maintain a stand of independence and sovereignty, so that she must gravitate toward one of the great powers, then it is still easy for her to see which is the right course to follow. All in all, we must say that Fu Ping-chang's appointment as Foreign Minister must be reconsidered.'

Economic Crisis

The Shun Pao painted an extremely gloomy picture of Chinese industry in Shanghai. According to the paper's analysis, the factors that have combined to bring about the present state, of affairs are three in number: Rising costs of production, limited markets and high rates of interest.

"High production cost is the first of these reasons," the paper said. "The raw materials needed by Chinese industry are mostly dependent on foreign supplies, and as the prices for the foreign exchange clearance certificates keep on soaring, production costs have likewise been greatly raised. The rise of quotations for the exchange clearance certificates has been more rapid compared with all other commodity prices, and there seems definitely the intention of making these certificates assume the lead in the hiking of all prices. . . . "There is next the fact that fin-

ished products have only limited markets. In the present circumstances, with the exception of food and other absolute necessities of daily life, sales of all other commodities are very limited. The excessive inflation of the gold Yuan has lowered the people's purchasing

power to the minimum . . . "In the midst of the current situation of excessive interest rates, computing on the basis of a daily interest rate of six percent compounded, a one month's loan of one yuan is repayable at the total sum of about six yuan. If this rate is continuously compounded without stopping, then by the end of one year, the repayment value will be 2,100,000,000 times the original loan The factory operator is truly in a dilemma. If, in order to meet his production costs, he refuses to sell his products at a cheap price, he cannot bear the high interests he has to pay. And on the other hand, if he is prepared to undergo a sacrifice and sell his goods cheaply, the proceeds will be insufficient for reproduction purposes. We stated sometime ago that 80 to 90 percent of Shanghai's factories may have to close down in one or two months.

What US Papers Say

VERY little optimism was expressed by American papers over the prospects of the forthcoming peace negotiations between the Chinese Government and the Communists, The Atlantic Pact, however, continued to receive fulsome editorial praise.

Peace Agreement?

THE New York Herald Tribune felt that forthcoming relations between Premier Ho's new cabinet and the Communists were dictable. The editorial said. unpre-

"Members of the new Chinese Cabinet of Premier Ho Ying-chin apparently were chosen with the idea of giving as little offense as possible to the Communists. Choices were made in the hope the new Cabinet could end the civil war in China on terms that would be more endurable than unconditional surrender. Rightwing members of the Kuomintang party, men who would prefer to fight as long as fighting was pos-sible, were ignored in forming the new government and a diplomat believed to be on good terms with the Russians - Fu Ping-chang - was

named foreign minister.
"Even with such a Cabinet in power, of course, there is no certainty that a peace agreement can be written. Communist intentions are obscure. No one seems to know whether the Reds will enter into serious negotiations or whether they wish to stall for time until they can consolidate their recent gains, reorganize their armies and attempt a crossing of the Yangtze River for a campaign in South China. For many weeks they so persistently raised obstacles to peace talks that there was doubt they had the slightest desire to negotiate. More re-cently there have been reports they would welcome a peace conference, but no one knows for what purpose these reports were circulated.

"Whatever, happens, it should be kept in mind that Communists never seem to make a political compromise in good faith. When they agree to take part in a coalition government, the agreement endures only until the Reds are strong enough to throw their associates in coalition into concentration camps or prisons. Presumably the Chinese Communists, who so slavishly follow Moscow's lead in their propaganda, are like other Communists, such as the Reds in Eastern Europe. Their future course may even vary somewhat from Communists policies elsewhere, because of the country's unusual cultural patterns, but this variation will not produce sincere co-operation with Liberal groups. It seems safe to presume that if the Chinese Reds reach an agreement with Liberal elements in the National Government, it will be a deal made to be broken."

Senators wanted action on aid to China. It said in part: "It is a tragic fact that China has arrived at a position in which there is no hope for it until time has worked changes. It seems that, Chiang having not been able to succeed, Communism must now be given a chance to fail. Meanwhile, it will be of no earthly use to allow more American arms to pass from the inept Nationalist Army into the hands of the Communists.'

Like Hitler



THE l'hiladelphia Inquirer warned that if the Atlantic Pact is not adopted, America and the rest of the West would be vulner-

able to any aggressive move on the part of Russia. The paper compared Russia's actions to

paper compared kusha's actions to those of Hitler when he was rearming and forming pacts. It said:

"The State Department's 'White Paper' is a warning to Soviet leaders that it would be perilous for them to underestimate the power and determination of the Western Demogracies to defeat themselves in Democracies to defen! themselves in full recognition that Russia's mobilization of political and military force is a grave threat to world peace.

"The situation of Russia today is roughly comparable to that of Adolf Hitler when he was rapidly arming the German Reich and forging gigantic compacts—the axis of Germany, Italy and Japan, later supplemented

by the accord with the Soviet Union.
"At that time the other countries of Europe and the United States were not arming. Their leaders pursued vain hopes that, by appeasing Hitler, he would refrain from eventually using the weapons of

conquest he was preparing . . . "There exists now however, outside the area dominated by Soviet military might and the grim array 'mutual assistance' treaties with satellite countries, an awareness of the dangers inherent in the Soviet

preparations.

'A question for all of us is this: "Shall we refuse to take the purely defensive measures envisioned by the North Atlantic security pact and leave to Stalin and the dangerous men around him the tempting opportunity to pick off the countries of Western Europe-and America eventually—one by one?
"No amount of lying propaganda

generated by the Kremlin and its Communist tools can make the Atlantic pact into the device for launching aggressive war upon Russia from this side of the iron curtain that Moscow attempts to say it

"The pact is not a plan for war, but one, as the White Paper constantly stresses, to make war less the East and the West as attractive, desirable-and wise-in Moscow as they are considered to be in Washington, London, Paris and many other world capitals."

The Washington Star expressed hope that Iceland would join the pact and pointed to its strategic

value, saying:

"The just completed Washington visit of a high-ranking mission headed by Foreign Minister Benediktsson heralds another prospective member of the Atlantic pact. Small and militarily weak though it is, Iceland would play an important part in the new European American defense system.

"A glance at the map of the North Atlantic reveals Iceland's strategic importance. This high island lies north of the Transatlantic 'Great Circle' which forms the main shipping route between North America and Northern Europe, while it is likewise on the air route between two continents. It's strategic importance was abundantly demonstrated during the late war. At that time, Iceland was linked to Denmark by allegiance to the common crown. The Nazi invasion of Denmark and Norway in the spring of 1940 raised the threat of a Nazi descent upon Iceland, which was entirely defenseless against invasion because it had neither an army nor navy, its population barely exceeding 100,000 . . . "To guard against that threat,

British and Canadian forces promptly occupied Iceland with the acquiescence of the local authorities. Once in possession, the British proauthorities. ceeded to use Icelandic ports as naval bases and laid out air fields. After our entry into the war, American technical forces took over the air fields, which were further developed and played an important part in the aerial patrol and recon-naissance system which did so much to guard shipping against the German submarine campaign.

"This wartime occupation had been coupled with specific promises that it would be terminated after the end of hostilities. Accordingly, when the Icelandic Government requested fulfillment of this pledge, our technical forces were withdrawn and the airfields came under Icelandic control. They are now used purely for commercial purposes. But their commercial purposes. value remains.

"The Icelandic delegates, here, made it plain that their government will not contemplate granting of base rights to any foreign power in peace time . .

"Logic and self-interest indicate a place for Iceland in the system of Transatlantic security against aggression. Organically part of the Western Democratic world, Iceland --which is expected to announce its decision in a few days-needs protecfor its independence and

The St. Louis Post-Dispatch exprobable and to mak just peaceful sovereignty which it cannot main-pressed dismay at Approved Fon Release 2006/04/21 fee Class 2006/04/21 fee Class

NEW BOOKS OF INTEREST

Tsarist Diplomacy

RUSSIA AND EUROPE, 1789-1825. by Andrei A. Lobanov-Rostovsky. Durham, N. C., Duke University Press, 1947. —XVIII, 448 pp. \$6.00. Reviewed by Charles E. Perry.

In 1933, with the publication of "Russia and Asia," Professor Lobanov-Rostovsky established himself as an authority on Russia's relations with her eastern neighbors; now, in his present book, narrower in locale and in time, he has produced an equally scholarly work on Russia's international complications in Europe during the project of the Event Paris of t during the period of the French Revolution, Napoleon and Metternich. To people who may be dismayed by the apparent suddenness of Russia's rise to recent predominance in Central and Eastern Europe, this book will help explain how her present might is merely the culmination of a grandiose dream conceived well over a century ago during the reigns of Catherine the Great, Paul and Alexander I. The first quarter of the 19th century followed nearly a century of "modernization and Westernization" under Peter the Great and Catherine the Great, and was an era when the imperial ideology of Tsarist Russia was taking final shape. More than three quarters of the volume deals with these 25 years; and the author, by unconscious inference perhaps, demonstrates just how the present Russian administration quite logically is cashing in on the plans and schedules worked out long ago by the Tsars.

The book has very little to do with domestic Russia, except to outline such national institutions which may have influenced foreign policy as Russian Orthodoxy and the role it played in laying an idealistic basis for Russian aims in the Balkans and the Near East. Professor Lobanov-Rostovsky, in contrast to modern Soviet historians, places great emphasis on the personal characteris-tics, ways of thinking and educa-tional backgrounds of the Russian rulers of the time in the belief that these autocrats were often their own chancellors and thus reflected their own personalities in their diplomacy. In this connection, the author points out that Paul was not the irresponsible madman history has pictured him; a perusal of his dispatches to Russian diplomats abroad and his instructions to military commanders in the field shows that he had an intelligent and keen grasp of foreign affairs and that he usually was well aware of the realities of any situa-tion, despite his despotic and oft-times erratic and impulsive conduct.

The Russian army appears to have been the strongest of all the allied forces facing France between 1789 and 1815, and it was Russian milibalance against Napoleon. The evidence seems clear that, well officered and disciplined, the Russian made the best fighting man of the age. How Suvorov in 1799 feaght his way from Northern Italy up the boulder-strewn goatpaths of St. Cotthard Pass into Switzerland, how Russian infantry in Prussia when faced with a failure of ammunition picked up stones and tore branches from trees with which to defend themselves, and how Alexander's marshals outflanked Napoleon on his disastrous retreat from Moscow in 1812—all are indicative of Russian military prowess and sagacity. The Russian soldier usually was uncertain of his reception in West-ern Europe and thus was arrogant, curt, sometimes downright boorish toward his allies, but he was valued for his ability to win battles. The climax of Russian military prestige came in 1814 when Alexander rode at the head of the allied armies into conquered Paris.

Present Russian pressure on the Balkans and on Turkey is better understood as a result of the author's analysis of the century-old idealistic and realistic aims in this region, such as the protection of fellow Orthodox Christians in the Balkans, economic outlets on the Black Sea, and the military and naval control of the Straits. As early as the time of Catherine we find a "Greek Project" which called for the destruction of the Ottoman Empire and the reetsablishment of a Greek Christian state at Constantinople under Russian protection. So enthusiastic was Catherine for the plan that she named one of her grandsons Constantine as an initial step in grooming him for this new throne.

Thoroughly documented, "Russia and Europe, 1789-1825" is primarily intended as a college textbook on Russian diplomacy, but it may be read profitably by anyone interested in European or diplomatic history. At the end of the volume five pages of finely printed bibliography—including the standard bittering dislocation ing the standard histories, diplomatic dispatches, orders to military commanders, diaries and memoirs-attest to the thorough research done by the author and provide suggestions for further study by the student of Russian history. serious



Negro Problem

HARLEM STORY, by John Hewlett. N.Y. Prentice-Hall, 1948. 242 pages. U.S.\$2.50. Reviewed by F.M. Roberts.

"Information as an artistic device," says Guerard in his book on world literature, "is a powerful but dangerous instrument. The slightest excess repels." This dictum might well be recalled as one reads the novel "Harlem Story."

In recent years there have been a series of novels dealing with the problems of negroes in the United States. Certainly no theme better supplies the conflicts which provide material for plot and character. There have been novels such as Richard Wright's "Native Son" written by negroes about negroes in unhappy relations with all group society; novels in which the negro has a tragic relationship with white citizens, such as Lillian Smith's "Strange Fruit;" novels in which the negro is supreme as a comedy element—Octavius Roy Cohen. Then there is Sinclair Lewis's "Kingsblood Royal," in which a "white" man "returns" to his negro blood. In the novel now under review, we have two white negroes who have "passed" into the white race. The theme of the white negro is not new. Cid Ricketts Sumner's book, "Quality," on this theme has achieved the current immortality of publication in the Bantam series.

"Harlem Story," however, is a new experience. Here are two white negroes who have "passed"—and each keeps from the other the knowledge of his background and race. The action of the story is given in a flash-back in the brief minutes before the nurse brings Flutic's newborn baby from the hospital nursery into the room for her first sight.

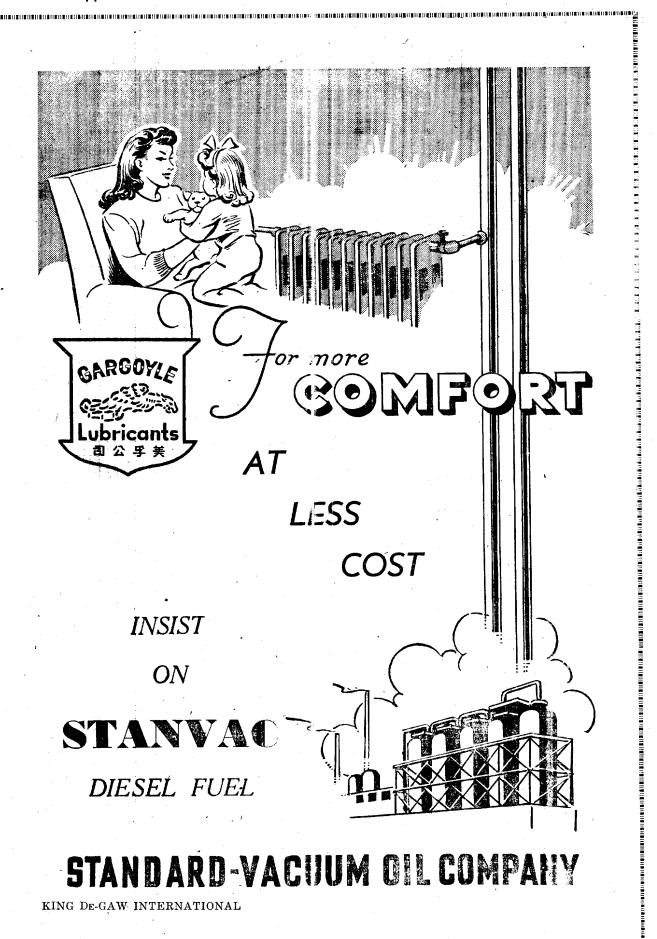
So much of the novel is pure melodrama that often the sheer horror of it fails to reach its mark. The two Harlem houses of prostitution-or their prototypes—may exist. The story of them in a novel becomes almost the use of art for information's sake. In this case one would prefer the detailed information in a documented study of negro problems such as that presented in the work of Dr. Gunnar Myrdal.

There is a variety of characters in this novel. The contrast of the slick city negroes and the visiting negro from the deep south who cannot shake off his inhibitions is a secondary pattern in the story.

There is no solution to the question which the novel poses. In every such situation the solution must be individual, as all tragedy must be individually borne. The author, John Hewett, has written two other novels dealing with racial issues. These are set in Georgia where it is taken for granted that old customs and deep rooted prejudice abound. This novel, set in the "freedom" of New York City, has a more complex pattern



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April 9, 1949

ABUNDANCE FOR ALL

AN EDITORIAL

Will China Become A Satellite?

Edgar Snow

Java Today

Frances M. Earle

Educational Changes In Peiping

Yu Wih

STUDENT TRAGEDY

AN EDITORIAL



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ETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

Atlantic Pact

To The Editor:
What is the explanation for the Atlantic Pact? The super-rich of Wall Street are all war mongers and all their talk of peace is a lie. The truth is that these reactionary elements are making the United States use a number of countries as bridgeheads and military hases for an accressive war. bases for an aggressive war.

The countries included in the pact in-The countries included in the pact intend to establish a large anti-communist bloc to threaten Russia and save them selves from the fate of their rotten capitalistic system. They allege that they will fight aggression in Europe or North America by collective armed action. What is this if not a challenge to other countries?

Although each of the articles in the

Although each of the articles in the treaty seems to speak righteously and beautifully for international peace and security, the treaty violates the charter of the United Nations and is paving

the war toward war.

Undoubtedly, this belligerent action will provoke all the peace-loving peoples in the world to resist and hate. The war-makers' dream of dominating the world will be but a dream, for the instance of the provider of the control of the contro western peoples mostly are being taken into the pact against their will. Once western peoples mostly are being taken into the pact against their will. Once World War III breaks out, an internal split will hasten the collapse of these warlike countries. Therefore, I advise the leader of the signatory countries, the United States, not to be proud of the establishment of such a treaty.

Tung Wei-wen

Soochow, Kiangsu March 27, 1949

Formosan Question

To The Editor:

To The Editor:

On March 25 Dr. Wang Shih-chieh,
China's former Education Minister and
Foreign Minister, said before the Rotarians in Taipeh, Formosa, where he
has been seeking shelter from the
worsening civil war, that Formosa is
China's "recovered territory." To clarify
the legal status of the island he astutely
based China's claim on 1) the Chinese the legal status of the island he ascerdible based China's claim on 1) the Chinese Government's declaration of war against Japan in December, 1941; 2) the Cairo declaration of 1943; and 3) the instru-

declaration of 1943; and 3) the instru-ment of the Japanese surrender in 1945. The erudite authority on Constitutional Law, however, failed to clarify the issue as to whether China's recovery of For-mosa should have been fraternal reunion postulating liberty, equality, and frater-nity or should be colonial reconquest justifying oppression, discrimination, and exploitation. Being an earnest diplomat and an honest educator himself, he would certainly have assured the Formosans and and an nonest educator himself, he would certainly have assured the Formosans and the rest of the world of all prerequisites of fraternal reunion before VJ Day. On the contrary, the Chinese regime established in the island under corrupt incumbents has since its taking-over committed the worst vices that have ever appeared in human history—speculation and embezzlement, extortion and black-

THE CHINA WEEKLY REVIEW

J. B. Powell

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mailing, robbery and genocide. Dr. Wang 2006/04/21: CIA-RDP83-00415R00300060007-4

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is therefore cordially invited to answer the question as to whether or not pre-sent-day China as represented in the limelight mostly by scoundrels, while preaching reunion practises recon-quest with her 3,000 years' morals drowned in three years' tyranny in Formosa, has automatically forfeited her

mosa, has automatically forfeited her claim to the island in toto.

For three odd years the Chinese have demonstrated their inability to rule and unwillingness to improve, which has killed every iota of Formosan loyalty and enthusiasm. As they have misruled the country and misguided the people, the Formosans now want to govern themselves and direct their own destiny. If any territorial change must be in accord with popular wishes properly expressed as provided for by the Atlantic Charter, the Formosans certainly must have retained the Right of Self-Determination—one of the basic human rights which even the UN cannot possibly explain away, let

the basic human rights which even the UN cannot possibly explain away, let alone any constitutional authority!

In short, if China has no right to reconquest and Formosa has the right to self-determination, Dr. Wang should not have been so coy in confusing education with sophistication and diplomacy with hypersity.

with hypocrisy.
A FORMOSAN LAWYER.

Taichung March 29, 1949

Chungking Affair

To The Editor:

The recent desertion of the cruiser, Chungking, trump card of the Chinese navy, has attracted considerable attention navy, has attracted considerable attention throughout the country. According to the press, an official report by a Control Yuan member who was appointed to make an investigation into the incident stated that the desertion was due to the crew's discontent over a new captain appointed to command the ship. This explanation looks your much like a whiteplanation looks very much like a white-washing of the affair. According to the report, the newly-

According to the report, the newly-appointed captain was not so well qualified as the old captain, Teng Shao-chang, and belonged to a different clique from that of the crew. Therefore the crew staged the desertion in protest. It is hardly believable, however, that a change of boss should have driven the whole crew to such a risky course as desertion with the threat of intensive air bombing

from pursuing government planes.

One must remember that the corruption and inefficiency of the Nationalist Government has aroused terrific discontent and opposition, not only among the masses of the people but also among the pured forces. Furthermore we is the masses of the people but also among the armed forces. Furthermore, men in the services are beginning to understand that the present Civil war is simply to preserve the interests of the privileged few—landlords and bureaucrats. Hence such incidents as the desertion of the Chungking occur and are still occurring. These incidents show the war-weariness of the people and their opposition to the misrule of the Government.

It was sad indeed to learn that a ship with the World War II record of the Chungking, then the Aurora, which sank the Nazi battleship "Bismarck" and more than a dozen Italian transports

more than a dozen Italian transports should have ended up by being sunk in the Civil War. What will our British friends who made this gift to us think of this?

J. H. H.

Hoiping, Kwangtung March 27, 1949

Late Lamented

To The Editor:
The China Magazine—a slick-paper pocket-size monthly published in New York City by the Chinese News Agency Approved For Release 2006/04/21: CIA-RDP83-004 15R00300060007-4 c count. No mention was made of the suspension of publication in its February, and last, issue so the decision must have been sudden. Possibly the orders came from Nanking.

In any event the gong has saved the editors of the magazine from the dangers of a split personality. The monthly, being published by an agency of the Chinese Government, naturally enough was among the most ardent apologists and defenders of the Nanking Government in the United States—not an easy task since the war's end, and especially these last few months. Naturally it had heavily under-scored the "Bandit Suppression Campaign" while the term was still fashionable. One filler item in its January issue still managed to refer slightingly to the Eighth Route Army as "rebel forces." But with events on the other side of the Pacific getting more and more difficult to explain, the editors were facing an obvious dilemma.

were facing an obvious dilemma.

As a house organ of a Government which was technically in an ambiguous position until receipt of instructions to the contrary, it continued to sound the old battle cries. What could the editors do but print in full an address delivered by Ambassador Wellington Koo on December 1st of last year including such flights of oratory as "... But aid or no aid China is firmly resolved to fight to the bitter end against Communist domination with all its terrorism and vandalism... As in the past so in the future there will always be a China whose people by their love of peace, justice and freedom and by their admiration of the American way of life are passionately fond of like-minded American people. But they would rather suffer and sacrifice in the hope of escaping servitude than endure Communist dictatorship and enslavement..."

A "Message to the People of North China" by General Fu Tso-yi made on November 12th and expressing some more of the same general sentiments and ending on the hackneyed note of pseudoprophecy—"There can be only one truth: the fight to save our nation, our people and ourselves, that is the Communist Suppression Campaign will inevitably succeed..." had to appear in the January issue—same month that saw the negotiated surrender of Peiping by the

negotiated surrender of Peiping by the same General Fu.

The February issue of this pocket guide to China as seen through the eyes of Nanking, managed to include President Chiang's statement on retirement with a number of articles on the same line of resistance to and villification of the Kunchantang. Suspension of publication is a huge straw in the wind of the confusion that must reign in the Ministry of Information at Nanking. At the moment there doesn't seem to be any coherent story they can present in the United States without appearing ludicrous.

China Magazine since VJ Day had been no more and no less than a propaganda sheet with an occasional article of a non-political nature interesting to the American reader. The passing of this distorted press mirror of China from the American scene is not likely to be lamented or even noticed.

Seattle, Washington March 23, 1949

Bad Discipline

To The Editor:

The discipline of the soldiers here is getting worse by the day. General Li Mo-an, the commanding officer of the 17th Pacification Bureau, has admitted that he cannot control them. The following are some of the incidents that have occurred:

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where they are stationed. Since most people depend on the trees for firewood, you can imagine what a hardship this has caused.

The company often stations a sentry on the main road to search the people passing by, and if they possess anything valuable such as a gold ring, watch or fountain pen, he "takes it over." Now no one dares go along the road after dark

dark.

Recently two soldiers were sent to investigate a certain case in the village of Yang-ma Chia not far from the hsien city. Since they have no right to engage in such activities, the people made them go away. The following day eight armed men led by the company commander came to the village, seized 30 innocent people and took them away to the Hsiang chief office, where they are being held until the families ransom them for 50 silver dollars. The hsien councillor went to try to mediate the case and was told that the people under arrest were held responsible for the arrest were held responsible for the disappearance of the two soldiers (which is not true) and that they must give at least 30 rifles as reparation for the

at least 30 rines as reparation for the loss. The councillor already had offered the soldiers 300 piculs of rice. The matter is still not settled.

In the western part of Hunan, the soldiers also have lost all discipline and have taken food, oil and even mattresses from the people without payment.

Whimer Li

Lihsien, Hunan March 15, 1949

Farmers' Army

To The Editor:
I am a medical college student with little money, and had been studying at Hsiang Ya Medical College in South When I recently contracted a

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disease, I had to leave college and come

to Nan Yao, one of the five big mountains in China, for cure.

Now I want to give you the following information about Hunan, and hope you will send me a free copy of your Review, as I no longer see it at the library.

In the history of China, Hunan people have always been the pioneers of every revolution for the benefit of all China. They are considered ultra-modern and cosmopolitan.

Since the present civil war has spread so extensively, prices have sky-rocketed and taxes have grown increasingly heavy. Now, to ward against a famine in the spring, more than 2,000 farmers have

spring, more than 2,000 tarmers have organized themselves into an "Army of the People" to fight against conscription and taxation of foodstuffs.

First they fought at Yungling, and later at the three cities of Mu-young, Luki, and Sinki. A weapons factory was raided and 8,000 rifles taken at Sinki. They have new becomes a statument that They have now become so strong that the two regiments of Nationalist troops are no match for them. The Kuomin-tang should realize now the Bandit Suppression Campaign is of no use.

Y. C. CHENG.

Nanyao, Hunan March 12, 1949

American Aid

To The Editor:

The present attempt is inspired by a reading of C.Y.W. Meng's article, "A Chinese View of American Aid," in the March 19, 1949, issue of the China Weekly Review. The writer in China Weekly Review. The writer in China enjoys the distinction of being at one and the same time a citizen of this country and of the United States. He has no political axe to grind ...

From the time of his adolescence he has devoted himself to efforts to helping China become a free, independent, prosperous and progressive country If china can attain this end by any aid from America, he wants to see America give this aid unstintedly to the greatest possible extent. Mr. Meng seems to think that American aid should cease because, presumably, American aid is producing the opposite effect.....

I must be suffering from what Mr. Meng called "Uncle Sam's mental bank-ruptcy," because I cannot make sense out

can't understand it. I don't understand how a civil war, in which unnumbered thousands of combatants and non-combatants are killed and maimed, can be called a "peaceful movement."

be called a "peaceful movement."

Being "mentally bankrupt," I cannot understand how American aid, which is designed to lessen human suffering in China and to promote economic and educational growth within the country, can be interpreted into meaning that

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such aid has the effect of against "political f eedom, operating economic equality peoples." and social security

peoples."
... Now, it has appeared to me that the American aid to China heretofore given was and is given to a dynamic consciousness of "a changing China, a progressive China, and a new China"—the very kind of China that America and all men of goodwill wish to see China become... Mr. Meng will place me under a debt of gratitude to him if he will be so kind as to show me how American aid prevents, or tends to impede, efforts to make China change impede, efforts to make China change and become new and progressive.

He hits the point, however, when he The first the point, lowever, when he says that America ams to counteract Communism. What's wrong with that? The American nation was founded on the principles that all men are created equal, that they are endowed with certain inalienable rights, and that among the counter that the little to the counter that the counter the counter the counter the counter that the counter the counter the counter that the counter the counter the counter that the counter the counter that the counter the counter the counter the counter that the counter that the counter the counter that th these are the rights to life, liberty and the pursuit of happiness. Does Comthe pursuit of happiness. Does Communism stand for these principles? Look at Soviet Russia today. It is the classic example of what Communism is...Does it stand for "political freedom, economic equality and social security for all peoples?" Why, then, do its nearly the social security for all peoples?" so hard to escape from this political heaven—even at the risk of their lives?
....But the contention seems to be

of "extreme rightists," "reactionary ruling classes," and "corrupt regimes." Unfortunately, this is all too true. That's why China has been brought to her present sorry pass. My question to Mr. Meng is this: What choice have the Chinese neonle? Chinese people? Is there any other choice than that of accepting Communist choice than that of accepting Communist dictatorship, or doing everything possible, with whatever outside help is available, to reform a Covernment presently dominated by "extreme rightists" and "reactionary ruling classes?"

.....Does Mr. Mong wish to imply that the Communist regime that now threatens the whole of China is not Communist in the sense that we understand

munist in the sense that we understand the Moscow model—that, in fact, it is a regime truly devoted to "political freedom, economic equality, and social security for all peoples?" If it is, I want to know it quickly, because I've been

opposing that regime....and if the present overlords of Peiping are for these, I'm with them.

Mr. Meng can prove this promptly, and remove all my doubts. All he has to do is to go up to Peiping, and induce The China Weekly Review to do the same. If he and The China Weekly Review can be the same of the communication of the Communicat go up there and lambast the Communist regime for its wrongs (as I suppose there are some), as both have so successthere are some), as both have so successfully been pasting the Kuomintang Government for its sins (of which there are undoubtedly many)—with impunity—he can persuade me to believe that we are watching a "civil war" that is only a "peaceful movement for political and social change." And I'll write home to must fall and the peaceful them to peace the life my folks and tell them to pester the life out of our Congressmen and Senators until they stop aid to China.

E. K. MOY.

Canton March 27, 1949

(We think reader Moy, a war-time general in the Nationalist Army, and a great and good friend of General Chennault, does have a political axe to grind. If not, we hope he will wait with to observe at first hand the good or bad points of the Communists, who seem to be well on the way to winning the Civil War whether or not there is American aid—Editor.) ican aid-Editor.)

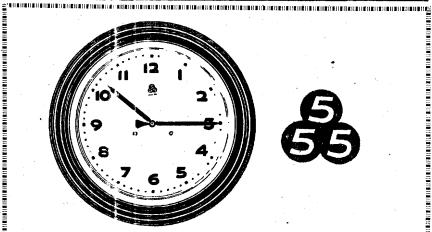
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Feudal Justice

To The Editor:

It was gratifying to read your editorial "Feudal Justice" in the March 26 issue of the Review. You expressed what many people want to but dare not say. For other measures of General Tang

En-po, I should like to add the following which he effected in Honan: In order to eliminate armed resistance, he disbanded the Honan Militia by either assassinating their leaders (for example, Pi Jing Fang) or driving them to the front as cannon fodder. He also used farmers' wheat fields as drilling grounds and farmers were killed by shrapnel when his

army practiced shooting.

The chapter "Honan Famine" in
Annalee Jacoby's and Theodore White's
book "Thunder Out of China" carries more details on General Tang En-po's activities.

P. M. L.

Shanghai March 27, 1949

Disparities

To The Editor:

Because of the wide disparity between the rich and the poor, it is hard for the former to understand how hard things are for the latter.

A French writer speaks of a duchess who once visited a convent too poor to have a fire to warm the building.

Shivering with cold the duchess felt great sympathy for the nuns at the convent, and ordered firewood to be sent to them. After warming herself at the fire in her home, she gradually began to forget the misery at the convent. When get the misery at the convent. When the servant inquired how much firewood she wished to have sent, she said, "Oh, never mind, it is going to be warmer soon."

And a similar instance in China is mentioned. During the Boxer Revolt the Empress Dowager escaped to Sian, where the was directly acquainted with the hardships of the people. She was greatmoved by their poor circumstances and promised to improve their standard



of living by reducing taxes and exempting them from extra taxes. On returning to Peiping, she was asked how the free tax was to be decided, and she replied, "Oh, wait! Peace has come back to the world and people are going to enjoy themselves very well."

Such mistakes come from ignorance and the wide difference of the standard of living between the poor and the rich.

SHERWOOD LIAO.

Changsha, Hunan March 20, 1949

Good Faith

To The Editor:

Because the civil war keeps upting communications, it takes at least 10 days for the Review to get here through the mails. I keep thinking that if there were no war I should be able to get your magazine more easily.

Everything here keeps getting worse and worse because of the political and economic situation. The only way the present crisis can be relieved is through peace. I would advise the Government to use good faith with the Communist Party, and as a college student I say loudly to the Government, "Quickly, give us peace."

WOO MING-FU.

Kweiyang, Kweichow March 17, 1949





The editorial pages present each week the opinions of the editor. The other pages of The China Weekly Review are written by the other members of the staff and the contributing editors who report and interpret the news irrespective of the views expressed in the editorials.

No. 6 Vol. 113 Shanghai, Saturday, April 9, 1949

Abundance For All

HENRY WALLACE, former US vice-president and recent unsuccessful candidate for the presidency, has suggested that the United States and Soviet Russia cooperate in making China a testing ground for a program of "abundance for all peoples." Mr. Wallace then went on to say that neither communism nor capitalism can solve the problem of want until "both, by agreement,

get rid of the spirit of intolerance".

We can imagine the reaction of many people to Mr. Wallace's proposal, which was made to a meeting of the Cultural and Scientific Conference for World Peace in New York. The Conference, even before it began meeting, was labeled by the American State Department as a vehicle for the spread of communist propaganda. With such a prejudiced approach by an important American governmental organization, it is likely that the suggestions made by Wallace and others will be labeled in many quarters as red propaganda, impractical, foolish, etc. Many of Wallace's earlier proposals have met similar receptions. For example, we remember when, as Secretary of Commerce in the last Roosevelt administration, Wallace said that the American postwar economy could be so geared as to provide 60,000,000 jobs. Newspaper editorialists, columnist,, and various public figures hooted in derision, claiming that this was another example of "Henry's dreaming." Since the end of the war, American employment figures have frequently been well above the 60,000,000 mark.

Despite the allegations of those who claim that there are so many people in the world today that they cannot be fed adequately, we think that Wallace's idea of Russo-American cooperation in China to attempt to provide a program of "abundance" for all the Chinese people is no more of a "dream" or "vision" than his earlier idea that the American economy could provide

jobs for 60,000,000 workers.

The end of the Civil War in this country should contribute greatly to China's ability to feed and clothe herself. In years past, the country's annual food deficit was not so great in normal seasons. The cessation of fighting, which would mean the end of huge non-productive

armies and a chance for the farmers once again to tend their fields in peace, should provide a tremendous boost to the local economy. Added to this a program of foreign help, which would provide capital and improved techniques, and China should soon be on the road to selfsufficiency. Even if she cannot economically raise sufficient food, other industries working for the export trade can be developed so that she will acquire sufficient foreign exchange to buy her additional food requirements from surplus areas

We grant that the population pressure in this country constitutes a major problem which will have to be met in the very near future, especially if any improvement in living conditions for the masses results in population increases of such rapidity as to "eat up" the surplus. However, there is a good chance, we believe, that modern production techniques may enable the nation to keep ahead of population growth for some time. Daily headlines in the local press would indicate that. A report from Manila recently described an experiment with enriched rice which may provide the answer to beri-beri, an 'indiginous disease in Asia's rice eating countries. The added nourishment provided by enriched rice might also go a long way toward eliminating the many other diet deficiency diseases and ailments commonly found in China.

In the US, where mechanization is almost taken for granted, new innovations in agriculture are being tried out each year. Cotton growing, which is a big industry in China, too, is being mechanized rapidly in the US with machines now available for most of the work. While progress is slow and the trial and error process is still going on, a recent press dispatch from Washington reported that "mechanization of the cotton crop has now been accomplished experimentally at every stage from the seed-bed to the market." Think of the labor such a development would free for industry in China!

The world, especially the United States, now has for the first time in the history of mankind sufficient tools to manufacture from nature enough materials to feed, clothe, and house all people. It is no longer necessary for a large section perhaps even a majority-of the world's population to live on a subsistence level. Proof of this can be obtained from a glance at the official expenditure figures for the last war. Enough money, representing actual industrial and agricultural production, was spent by the powers for military means to have raised the standard of living of the respective countries immeasurably.

According to the "World Almanac," the total amount spent by the six principal belligerents (not including China for which no estimates were available) was US\$1,116,991,463,084. Added to this was an estimate of US\$230,900,000,000 representing property damage. US\$1,347,891,-463,084 would, for example, easily provide adequate housing and clothing for every man, woman, and child in China. The possibilities of what could be done with such a sum are stagger-It should also be remembered that this ne end of huge non-productive fabulous sum represents money which the govern-Approved For Release 2006/04/21 : CIA-RDP83-00415R00300060007-4

ments of the principal powers were able to extract from the people over and above their daily requirements. In the case of the United States, the people supplied the surplus wealth without much, if any pain, while in other countries, such as Germany, Italy and Japan, it was obtained as a result of great privation.

In any event, the mere fact that the countries of the world could afford to spend such a staggering sum and to suspend or curtail normal productive activities for up to six years proves conclusively that mankind now is able to produce yearly a considerable surplus of materials above the basic minimum requirements. The fact that such "surplus" wealth is not used for the benefit of mankind in relieving want and in improving the machinery of production reflects upon the intelligence of the governments of the world.

The United States is today spending prodigious sums on self defense, unsound foreign relief programs, and military aid schemes for other countries under the provisions of treaties such as the North Atlantic Pact. This money would easily abolish poverty and want in the United States if spent properly. What's more as the war years proved—the natural wealth and highly-developed productive machine of the United States would enable it alone to contribute greatly toward eliminating want in the rest of world.

The factors hampering Russo-American cooperation on a plan to provide an abundance for the many people suffering from want are largely political, and these political reasons in turn stem largely from the narrow selfish interests of certain partisans who actually do not care about the welfare of the masses. This is indeed a sad commentary upon our time.

Another Student Tragedy

T LEAST one student has died as a result of $oldsymbol{A}$ injuries received during a fight in Nanking when a group of soldiers attacked a student It is disheartening to see students in Nationalist China once again becoming the victims of violence, especially during a time when the Nationalist Government has in actuality sued for peace. If nothing else, it makes one wonder about the sincerity of the rulers who day in and day out for the past few months have been publicly stressing their desire for peace.

While only the naive would believe that the Nanking regime would have become so desirous of peace if it still had its armies intact, its economy on a sound footing, and its people under firm control, one may even become suspicious of the Government's intentions if it allows students to be beaten and killed for expressing a desire for peace. Since the Government has in fact already dispatched a mission to Peiping to dis-· cuss peace terms with the Communists, why should the same Government frown upon student demonstrations or parades favoring an end to hostilities?

The Nanking municipal authorities, presumably controlled by acting-President Li Tsung-jen, reasonable view of the situation than elsewhere. In Nanking, it is reported, the authorities have decreed the death penalty for any soldier caught attacking students. Meanwhile, in Shanghai the authorities continue to view the students as Communist agents and to warn them against any demonstrations or parades.

About the only conclusion one can draw is that the Kuomintang authorities, who are talking peace with one hand and beating students with the other, either are hypocrites or are actually so stupid that they cannot see the ridiculous contradictions with which they are surrounding themselves.

Irresponsible Behavior

AS the tempo of the "cold war" between the United States and Russia mounts, each nation appears more and more to be carrying a chip on its shoulder. If this tendency continues, there is virtually no chance of averting war. Living in this atmosphere, we perhaps become accustomed to new "outrages," new political and economic maneuvers, threats, reactions, etc., but the fact remains that relations have been strained to a dangerous degree, despite the oft heard remark that since no one really wants war, there will be no war.

It appears to us that there is an excellent chance of war, although almost everyone realizes full well what a new war would cost in terms of human suffering and material destruction. There comes a point when one more insult, one more threat, one more little incident sets in motion a train of events which quickly culminate in war. This has been the history of the beginnings of many previous conflicts. World War I, it will be recalled, began from one small incident which, unfortunately, occurred at a time when relations were strained. If our memory of history books serves us right, the German Kaiser, although long following a certain path toward war, was most reluctant to take the final step when Austrian Emperor Franz Joseph called upon him to honor Germany's treaty obligations. In fact, the Kaiser is supposed to have made a last minute attempt to persuade the Emperor of Austria from carrying out his plans for hostilities.

World War II began with somewhat more deliberate calculation upon the part of the Germans, although there is some reason to believe that Hitler, having managed to run through a good part of Europe without provoking Britain and France, perhaps thought he could get away with another conquest without war.

In the case of Japan's attack upon the United States, which was perhaps one of the greatest open acts of violence in modern times, the situation was somewhat different. However, with the benefit of hindsight, it is possible now to go through the back files of newspapers covering periods when war has started and to see that a conflict was obviously in the offing, no matter how much of a surprise it may have seemed at the time. We think that if an obit must be admitted, have finally taken a more server, not conditioned to scare headlines in his Approved For Release 2006/04/21: CIA-RDP83-00415R00300066007-4

daily paper, were to pick up, say, a file of any metropolitan American newspaper for the past three years and skim through it, he would come to the conclusion that step by step the world was preparing for a new war and that if, upon turning to tomorrow's paper, he saw that war had broken out, he would not be particularly surprised.

If war comes tomorrow it will not be because Russia or America actually wanted to begin a conflict that would be sure to cost far more than either could gain. It would be because both nations, behaving at times in the most childish manner, have insulted each other so extensively, laid down so many ultimatums and in general progressed so far toward an open rupture that they had reached a state where neither behaved entirely rationally. It has long been our opinion that if the Americans and Russians were able to see themselves in the same light as they view each other, the perspectives of both might be improved.

We were appalled recently by a *United Press* story from Washington which read in part: "It was revealed today that the Budget Bureau was considering a Defense Department recommendation for expansion of an Air Force fleet of 'inter-continental' super-bombers. proposal was based in part on conclusions from recent tests, all conducted under combat conditions, that the mammoth aircraft is virtually immune from interception and has a range to attack any Russian target from North, American bases..... Military planners have marked off some 70 strategic targets in Russia as possible objectives in the event of war."

This story has passed with little if any comment in the American press, although there was some criticism by a few members of Congress. However, their objection to it was not what one might expect. Rather, they censured the Defense Department because the publication of the news "jeopardized" national security in that it gave away a military secret!

It seems almost unbelievable that such a statement could be made by a responsible American Government agency and perfectly fantastic that the only criticism of it from the people's elected representatives was that a military secret had been let out of the bag. Just suppose, for instance, that the setting had been Russia instead of America. Suppose that in presenting its military budget to the Soviet Government, the Russian Airforce had said it needed money for a very special plane, one that could bomb any part of the United States and that, in fact, the Russian Army had already marked out 70 cities such as New York, Chicago, St. Louis, etc. for bombing in event of war. The American Congress and press would be howling to high heavens and demanding that the State Department dispatch a stern note to Moscow ordering a satisfactory explanation forthwith. How different it would be if it were the other guy!

Likewise, how would the Russians react if it

down two Russian soldiers for stepping across an imaginary line on a sidewalk in Vienna and then kicked them into insensibility? would this minute be denouncing it as another calculated plot by the imperialists to disturb the peace of the world. The extent to which we have progressed can easily be seen by the almost daily blasts of viturperation hurled at one another by the information media of the East and Moscow denounces the aggressors" for questioning "democratic" Russia's peaceful aims. The most insulting statements are made about the United States, and at the same time hurt and alarm are expressed over the "unjustified" criticism by America of Russia. Exactly the reverse takes place almost every morning in the United States.

A war between the East and the West is as unnecessary today as it ever was. There are few basic differences that could not be solved by men of common sense and good will sitting around a conference table. However, from present indications, it doesn't appear that such a solution will be found. Each accuses the other of bad faith, while proclaiming his own spotless innocence. Each proclaims that if he backs down now, or even expresses a desire to negotiate, the other will interpret it as a sign of weakness and attempt to take advantage of it. With such unreasonable attitudes prevailing and with each side arming as fast as it can, the future looks very gloomy.

People's Rights Protected

GENERAL HO YING-CHIN, China's new premier, has issued instructions to the Shanghai Police Bureau ordering that henceforth illegal arrests shall be prohibited and that the "people's freedom" shall be protected. The order, it is reported, has been received by the local authorities and Police Commissioner Mao Sen has circulated it to all police departments with the notation that they are to abide by it.

General Ho, it is said, emphasized protection of the physical freedom of the people and pointed out that arrests should only be made by the judicial and police authorities in accordance with the legal procedure as provided in Article 8 of the Chinese Constitution. He is reported to have deplored the fact that the constitutional provision was not strictly adhered to by various organizations during the period of mobilization and that illegal arrests were reported. In order o respect the constitution and to render protection to the people, no repetition of the past unlesirable practices will be tolerated, General Ho admonished.

This is indeed welcome news. Perhaps the nost significant part of the whole order is that it instructs the authorities to govern their acions by the provisions of the constitution. This is one of the few public acknowledgements by a prominent official in recent months that the Government is bound by the constitution. had been British sentries in Austria who knocked Approved For Release 2006/04/21: CIA-RDP83-00415R003000060007-4

it was adopted with great fanfare some two years ago. The last time it figured in the news was when some local victims last fall had the courage to complain about their treatment at the hands of the authorities whom, they said, were not abiding by the constitution. The reply, as we recall, was that it was nonsense to talk about the constitution at such a critical period in the bandit suppression campaign because it had long since been superceded by the provisions of the national emergency. It was implied that those who persisted in harping upon the constitution's provisions for personal freedom might be suspected as Communist agents trying to disturb the public's mind.

Now, however, all seems changed. The second most important Nationalist official has issued a stern warning to local officials telling them that they must carry out their duties in accordance with the provisions of the constitution. This is a great step forward and it is to be hoped that General Ho will now turn his attention to some of the other provisions of the constitution.

For instance, the constitution guarantees freedom of the press. However, according to a story in the Shanghai Evening Post of March 24, the unbelievable total of 185 magazines have been banned by the Nanking-Shanghai-Hangchow Garrison Headquarters and the Bureau of Social Affairs. Under General Ho's plan to return to constitutional government, it would follow that such restrictions upon the press would have to be lifted. It is to be hoped that the new premier will shortly issue further instructions to the officials concerned.

During Sun Fo's tenure of office the complaint was frequently made that military and other local officials refused to carry out the orders of the Nanking Government whenever such orders conflicted with the views of the authorities concerned. Now, with one of China's best known generals holding the premiership, local officialdom should be more amenable to instructions from above, especially since General Ho has at one time or another been the superior officer of most of the generals still holding commands in Kuomintang China. No longer, presumably, can local potentates escape orders from above by stating that they do not conform with the Government's policy of seeking peace through strength or other excuses such as the people in Nanking cannot appreciate the problems of the local commanders. Premier Ho is a military man with a long record as number two Kuomintang general, ranking just behind the Generalissimo. In fact the Communist radio has had a lot to say about General Ho, having at various times referred to him as a bandit, a criminal and as a prime instigator of the anti-Communist Civil War. It seems clear now that General Ho is the boss. Whatever happens from now on is his responsibility. He has seen fit to order Kuomintang officialdom to observe the constitution insofar as the people's physical freedom is concerned. Let us hope that he pursues this policy a bit further.

25 Years Ago in The China Weekly Review

April 5, 1934

Chamber Of Commerce Report

In presenting the annual Report, the Chairman said in part:

".....During January of this year, the various newspapers in China published a letter written by Secretary of State Hughes to Mr. George Lockwood, Secretary of the Republican National Committee, which shows that the Administration at Washington is aware of the seriousness of the Chinese situation.....Secretary Hughes' letter in part reads as follows:

"'The difficulty of the situation in the Far East, as you will perceive, lies in the weakness of the Chinese Government. We have done what we could to strengthen it and to give it the opportunity for development, but that development must of necessity take place within. It is not possible for the powers to create a government for China or to substitute with any hope of success a government through their own agencies. The utmost which they may hope to do is to bring the Chinese authorities to a realization of their responsibilities and give such assistance (even though it should be against the will of certain elements in Chinese politics which hope to profit by a continuance of disorder and corruption) as will tend to stabilize the finances and the transportation services of the Chinese government and thereby bring about conditions of order and security which may offer a less difficult set of conditions in which the Chinese people may develop an effective administration of their own."

Southern Taxes ·

Further tax assessments are being made on the Cantonese people by the military authorities and as a result the Canton silk dealers are considering suspending business as a protest against a surtax of 50 percent on stable and 20 percent on transit likins for raw silk. The silk men are now paying eight different taxes or contributions before they finally land their goods on the market. These include export duty, Kwangchow Prefecture likins, transit likins, stable likins, and four others collected for local charity or protective service.

10 Years Ago In The China Weekly Review

April 8, 1939

Wang Ching-wei's Intrigues

Fresh intrigues of the most sinister character designed to bring about the collapse of China's resistance to force her to capitulate to Japan are unfolding themselves in the latest activities of Wang Ching-wei, who appears now to be giving himself up entirely to the Japanese in order to wreak vengeance upon the Chungking authorities.

In addition to his latest lengthy outburst which was evidently inspired by the assassination of his henchman, Tseng Chung-min, Wang is said to be working intimately with the Japanese to hasten the downfall of the National Government. An understanding is reported to have been reached between Wang and the Japanese Premier Baron Hiranuma, whereby Japan had furnished Wang with the sum of \$4,000,000 to finance his intrigues.

Flood Plus War

With the public eye focused on the Sino-Japanese hostilities and the terrible destruction of human life in Japan's aerial bombing campaign, little attention has been given to the fact that a natural calamity in the shape of the rampaging, uncontrolled Yellow River, aided in its depradations by conditions of war, is destroying the homes and livelihood of numberless people in the Hwai River valley region of Anhwei province, and has already created real conditions of famine.

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WILL CHINA BECOME A RUSSIAN SATELLITE?

Edgar Snow

COMMUNIST victory in China has raised some of the most perplexing questions since the Marshall Plan and the Truman doctrine be-came the foundations of our post-war foreign policy. The questions themselves are not entirely new. As matters of speculation they engaged the interest of men in our foreign service for years, as well as that of other observers who foresaw current developments. But the revolutionary change of power has now transformed mere possibilities of the past into these living enigmas

of the present:

Will a communist-led government inevitably mean that China must fall under the absolute domination of the Kremlin? Will Moscow plant "spe-cialists" in the Chinese police force, the army, the party Politburo, the state apparatus, to constitute a government above government, as in Eastern Europe? Will China fall into the orbit of Soviet economic planning, with powers held by Russian commissars to operate mines and industries to meet Russia's strategic demands? Will the Kremlin be able to dictate internal policy to Chinese communists, as well as control China's vote in the United Nations?

Unique History

For some parts of the world the mere asking of such questions might be synonymous with answering them in the affirmative. But experts share many doubts in the case of China. Among them there is wide-spread recognition that the development of communist power in China has established a unique history, with special variations in the past foreshadowing deviations in the future.

I myself have for years taken some part in written and oral discussions revolving around all the points examined in this article. some quarters I have been derided as the creator of "the exceptionalist theory" for China. It has never been my contention that the Chinese communists are "not real Marxists." But internal evidence did convince me that they will not give "absolute obedience" to the Kremlin-the basic test of anyone accepted as satisfactory by Moscow. After a dozen years of firsthand study of China I concluded that Soviet Russia would not hold effective domination over the extremely nation-conscious Chinese communists.

Some officers in our Foreign Service took a similar view. Because of that, the State Department was less worried about communists in China than in other places. That was one reason why Mr. Truman officially encouraged the formation of a constitutional Chinese government representing communists as well as nationalists. Our experts realized that the communists might eventually come to the top in such a setup. But they argued that Approved For Release 2006/04/21: CIA-RDP83-00415R003000060007-the willing, or-

Edgar Snow's book tar Over China," pul Star Over China," published in 1937, has earned for him the reputation in the United States as being one of the Americans best informed on the Chinese Communists. Several weeks ago, in the February 5 issue the Review reprinted an article by Mr. Snow entitled "Will Tito's Heretics. Halt Russia?" in which he wrote that developments in Yugoslavia may give a "perspective on event; now transpiring in China." Mr. Snow's views on this subject aroused some controvers, expressed both in letters and in an article published in a subsequent issue of the *Review* entitled, "Yugoslavia, China, and Snow." In the accompanying article, reprinted from the April 9 issue of the Saturday Evening Post, Mr. Snow expands his thesis that a Communist China can remain independent of Russia. Publication of this article does not mean that the subscribes Reviewto Snow's views in their entirety. However, he has raised many interesting questions and presents a very persuasive case. Comments from readers will, course, be welcomed.-Editor.

the alternative would be civil war in which the old regime would be smashed entirely, and during which the communists would be forced to draw closer to Russia.

The attempt at a compromise solution failed, and military events have now borne out the latter forebodings.

Yet there are powerful people in Congress, and around it, who still argue that salvation in Asia lies in heavier and more direct intervention against the Chinese communists, rather than an acknowledgment of failure in that policy. The Administration is now inclined to absorb the lessons of events in China, and to adopt a wait-and-see attitude. interventionist insist normal or friendly relations Chinese communists are just as impossible as with the Russians. It is necessary to fight them by all means available, short of war. They contend that it is inconsistent to spend millions opposing guerrillas in tiny Greece, while retreating before communists in China, which holds nearly a quarter of mankind. And they see no difference between Greek Reds, dependent on invasion bases in Bulgaria and Albania, and a selfsufficient Chinese Red Army with formidable internal reserves at its command.

The Chinese party -say interventionists who fear Stalin will boss China—is an orthodox party thoroughly loyal to the Fremlin. It was

Moscow unilaterally dissolved it. It has supported the Cominform's resolutions. The party has even upheld—though belatedly and some-what "lukewarmly," our official polit-ical observers have noted—Moscow's denunciation of Tito, whom Chinese communists admired in the past.

Like the Russians, too, Chinese communists believe in the "historical necessity" to liquidate capitalism. They intend to help install universal socialism and-ultimately-commun-At present they are not enforcing communist or even socialist measures. But they have made it clear that they will, as soon as possible, establish state ownership over all the principal means of Chinese

production, and collectivize the land.

The Chinese Reds have frankly proclaimed themselves loyal allies of the Soviet Union. Although the Kremlin furnished very little material help to justfy such claims, it did give important political or Chinese moral support. Reds also sympathized openly with Russian aims to eliminate the influence of American power in Asia. It is true that the United States furnished Chiang Kai-shek the principal military and economic support for his campaigns against the communists. But even if we had remained neutral, interventionists say, it would have influenced communist policies and attitudes very little. Communists would still have demanded withdrawal of our armed forces and cancellation of the commercial treaty which gave the Unit-ed States prior claims on China's strategic raw materials.

Interventionists Logic

All that—which is more or less true—offers little hope for any return to the "good old days" in China. The interventionists also think that such facts are enough to condemn the communists as enemies of the Chinese people, enemies of China's freedom. They argue that a gov-ernment led by such a party inevitably means a nation ruled in the interests of Russia, hostile to the United States and committed to eventual war against us. Therefore, we should promptly extend the anti-Cominform front to South China and to the European colonies in South-eastern Asia. We should arm all those who would fight the commun-ists, "wherever they lift their heads."

But does adherence to an ideology or a body of dogma by a ruling political party alone determine the relations of a nation with its neighbors? Is the party ideology of the moment of greater permanent importance than the nation's whole past and the legacy of the past living in its people? Or greater than its vital economic requirements and exchanges with the rest of the world? Interventionist logic answers in the affirmative. It professes to believe that ideology has

thodox and loyal "slaves" Kremlin—as Ambassador Wellington Koo has called his countrymen.

To be objective, however, it must be admitted that such assumptions are simply not yet susceptible of proof. Neither Doctor Koo nor Chiang Kai-shek has been able to demonstrate how successfully Kremlin even now dictates Chinese communist internal policy. Our own military intelligence indicates that the Chinese Reds have won their battles without any military directives from the Russians, and in-deed without any direct military help. And in estimating the future, it is necessary carefully to consider certain factors which may entirely exclude a Sino-Russian relationship of slave and master in favor of a relationship between peers.

First, consider some geopolitical facts of fundamental significance. China is in immense country-almost as large as the United States, and with two times Soviet Russia's population. It is rich in human and natural resources, with an ancient civilization that has survived 3000 years of catastrophes to keep its basic values intact. China is the first country among all the colonies and semicolonies in which communists have won power. From their beginnings, China's Marxist leaders have, in theory, been international-ists. In practice, they have been nationalists continuing an independence movement.

Second, China is the first major power, outside Russia, to fall into the hands of avowed Marxists. Very important: it has, in contrast with Eastern Europe, a markedly lower standard of living than the U.S.S.R. as a whole.

Fought Alone

Third, the Chinese Red Army-or People's Liberation Army, as it now calls itself-fought its major battles for survival long before the recent war, and without any Soviet aid. Excepting Yugoslavia, China has the Soviet aid. only communists who actually came to power without direct political or military dependence upon Russian

Fourth, the Chinese party alone in the world today is led by a communist who has never been to Russia. He is the only communist chieftain ever expelled from a party -not once, but several times-who remained in power despite a Comintern order for his removal. Mao Tse-tung and Chu Teh—now com-mander in chief of the Chinese communist forces—adopted an independent line in 1927-28, launched their own agrarian program and set up the Red Army, and first soviet, without party directives. Mao is the only communist leader—Tito excepted—who has publicly criticized Moscow's agents. Fifteen years ago Moscow's agents. Mao Tse-tung led in the arrest and removal from power of the last Comintern "specialist" sent to assume active direction of the Chinese Politburo. He was returned to Russia and—to the best of my know-ledge—has never had a successor.

quired immense experience and selfconfidence. Decades of civil war have trained great numbers of competent military and political leaders. China now has the largest Communist Party outside Russia—more than 3,000,000 members—and more than 2,000,000 troops backed by millions of armed peasants. It is one thing for Russian generals to push around military or political bosses in the small occupied states of Europe. It is quite another groblem to manage a giant the size of China, run by a disciplined party in control of a great army—which knows it could make a good defense of its independence against any foreign power.

Sixth, Mao Tse tung's personality is reflected in the internal structure of a party that is - whatever one may think of its methods or what it upholds ideologically--deeply Chinese in composition. It is doubtful if 10 percent of the members of the central committee are Soviet-educated. In the rank and file not one in 10,000 They has been to Russia. They have learned their Marxism largely from the history of the Chinese party, the Chinese revolution, the text-books and doctrines worked out in the writings of Mao Tse-tung and other native leaders. Virtually all the veterans who form the hard core of this party, men now in their fifties and sixties, are products of more than twenty years of common history made in China. They could not now be seriously divided by outside

Asiatic Marxism

Seventh, the Chinese communists were, until the Belgrade schism, the only non-Russian party which dared openly proclaim that it had made vital new contributions to the theory and revolutionary practice of Marxism. "Mao Tse-tung has created a Chinese or Asiatic form of Marxism, one of the Polith iro members at Yenan told an American correspondent. "His great accomplishment has been to change Marxism from its European to its Asiatic form. He is the first who succeeded in doing so." A dangerous thought, of a variety unlikely to please the a variety unlikely to please the Kremlin. The speaker was Liu Hsiao-ch'i, No. 2 heoretician in the party, and the American correspondent was Anna Louise Strong, who was later arrested in Moscow as a "spy" and expelled. Before that, Miss Strong's book had been published in Eastern Europe, with the foregoing and similar statements deleted from the ext.

In fact Mao Tso-tung and his followers were the first to prove that communist-led revolutions in semi-colonial countries can conquer power by combining the role of national liberation with antifeudal social-reform movements. In a setting quite unforeseen by the Kremlin hierarchy they proved that such revolutions can succeed without depending upon urban proletarian insurfections, without help from Russia or the world proletariat, and on the basis of the organized peasantry as a main force.

China it is possible for two distinct phases of history—"new capitalism" and "new democracy"-to coexist in an extended transition. While they aim, eventually, to have complete socialism—and, beyond that, com-munism—the Chinese say that they expect various forms of private capitalism to coexist with state capitalism for many years. Reassurances of a comparable nature were made and quickly were superseded in Eastern Europe, of course; one does not forget that the same thing could happen in China. But in the present primitive realities of China's non-industrialized economy an attempted rapid leap into socialism would appear to be excluded by practical political considerations.

Underestimated By Moscow

· There are reasons to believe that Kremlin leaders long believed that the historical backwardness of China presented insuperable obstacles to an early communist triumph. It is doubtful that they ever took the communists' chances very serious-ly after the 1927 debacle. One striking illustration of the Soviet attitude occurred during the Sian Incident, in 1936. Chiang Kaishek was "detained" by Chang Hsueh-liang, who wished to halt the civil war against his secret allies, the communists. Moscow vilified Chang Hsueh-liang as a pro-Japanese brigand and prepared to denounce the Chinese communists as bandits also, unless they worked for the prompt, safe release of the Gen-Again, throughout the eralissimo. Sino-Japanese war the Kremlin regarded Chiang Kai-shek as the only man capable of "unifying China"— as Stalin told Harry Hopkins. And Russia furnished weapons and transport exclusively to Chiang's army—even long after the equipment was employed to attack and blockade the Chinese Reds.

Probably the sudden collapse of Chiang Kai-shek's forces last year surprised Moscow no less than western capitals. Certainly the Sino-Soviet Treaty of 1945, concluded between Chiang's regime and the Kremlin, had clearly demonstrated the latter's skepticism concerning the postwar future of the Celestial Marxists. That treaty completely deprived Yenan of Soviet diplomatic support at the very moment when the former had obviously intended to intensify an open struggle for power.

We have heard much. recently. about how Roosevelt sold Chiang Kai-shek down the river when he agreed to give Stalin what he wanted in Manchuria. People overlook the fact that at that same time Stalin cut adrift the Chinese communists. Once Communication munists. Once German defeat became manifest, it had been the nightmare of Chiang Kai-shek that the Russians would attack Japan, without any understanding with him. He feared that they would then promptly install the Chinese communists in power, in the wake of their own advance in Manchuria. The Kremlin chose, instead, to sign a treaty of

Today these communists observe a Fifth, as a result of long isolation somewhat unortholox program based and independent development, the upon Mao Tse-tung's original thesis alliance with Chiang, which promised Chinese CommunApproved For Release 2006/04424 w.CAPDF33-100415R003000066000754 exclusively, and to

recognize his authority, and his alone, in a Manchuria where neither he nor the United States then had any forces. I was in Moscow when that treaty was concluded. considered good diplomacy by both Chinese nationalists and American official observers. It was believed that the treaty had definitely disposed of the Chinese Reds, "once and for all."

There is, in fact, no evidence to indicate that the Kremlin thought otherwise or was interested in more than Russian nationalist aims in Manchuria. It offered no other advance interpretation to Chinese communist headquarters, then still at Yenan, where the treaty came as a complete surprise.

Communist Expectations

Yenan's political line had clearly reflected quite other expectations. Several days after the treaty was signed but before it was published Japan had already surrendered the Chinese communists issued a proclamation to their forces which demanded: (1) immediate seizure of Nanking, and establishment of a "people's government" there; and (2) seizure of the cities of North China and Manchuria, and disarm-ing of Kuomintang troops in repudiation of the Generalissimo's authority. Yenan heaped scorn upon Chiang Kai-shek as a "fascist," a "traitor," and an enemy of the people no better than Japan's puppets at Nanking.

This, about the man with whom Moscow had just concluded a treaty recognizing Chiang $\mathbf{a}\mathbf{s}$ supreme commander loyal anti-fascist ally! and Russia's

It was nearly a week after V-J Day before the treaty was made public. It placed the Chinese com-munists under even heavier pressure than Marshal Tito had resisted when, not long before, Moscow had demanded that he accept Mikhailovitch as a valid "nationalist" leader of Yugoslavia. Finally convinced that the text was authentic, the Yenanites realized that both Stalin and the United States were committed to support the Kuomintang regime. They had no alternative but to compromise, in the first round of the postwar struggle. Within a month Mao

was in Chungking, negotiating—at the instigation of American Ambassador Patrick Hurley — with Chiang Kai-shek.

Meanwhile, the American Air Force flew Chiang's troops into the key cities of the north to take over from the defeated Japanese. In accordance with the treaty, our Air Force and our Navy also ferried thousands of Kuomintang troops into Manchuria, sian command The Soviet Russian command gradually handed over the principal cities and rail-ways to Chinese nationalists—not to the communists.

But the Chinese Reds were already too formidable a power to be liquidated by any mere scrap of paper signed in Moscow. Over 1,000,000 members had a vested interest in the party. Nearly 1,000,-000 troops which suppredue the bizaelesse 12006/04/24 in Clark PDP8 1200415 R0030000 0000 000 ptg. practiced



The Money God--Shun Pao

walled cities depended upon it for survival. They all saw golden op-portunities slipping away as Chiang Kai-shek rapidly replaced the Japanese and the Russians. So they, too, began a rush for Manchuria, on foot.

While the Generalissimo over the railways and cities, the communists sent in some of their best troops and cadres to infiltrate the towns and villages, reinforcing local guerrillas. All this competition went on in the field, from the Yellow River to Manchuria, while at Nanking both sides negotiated questions constitutional government and military reorganization, with General Marshall acting as mediator.

Gave Little Help

From the best information I could get, when I was in Korea in 1946, the Russians had given little help to the Chinese Reds. The latter were rather inclined to look upon their "loyal allies" as an obstacle, in fact. The Russians did nothing to halt their rural activities, when partisans had a chance to disarm hinterland Japanese garrisons, or secure caches of arms. But they secure caches of arms. enforced the treaty in the cities, where they turned over power to Kucmintang author ties. Russian policy played no decisive role in the ultimate defeat of Chiang's armies in Manchuria and it had no influence on the fate of the Knomintang south of the Great Wall.

As a result, therefore, of the communists' sovereign victory in China, there now exists in Last Asia a new set of circumstances with significant implications both inside and beyond the Marxist world. Moscow must deal with a major foreign power run by communists possessing all the means of maintaining real equality and independence. This becomes and independence. This becomes important when it is realized that potential sources of friction between Soviet and Chinese nationalisms already exist in Manchuria, Mongolia and Chinese Turkestan, where Russian attrition has been going on for generations. The question is: Will the legacy of past differences, and their influence on the psychology of the two regimes which now face each other along any thousands of miles of frontier, be overcome by their adherence to a common ideology?

Complete control of Manchuria, especially, seems indispensable to any regime seeking the planned destate. Despite its 40,000,000 population, Manchuria is still the greatest area left open for settlement by immigration from densely crowded re-It contains more than 80 per cent of all China's iron deposits, 37 per cent of her forest lands, a large part of her coal, and great water-power resources. Before the water-power resources. Before the war it held about 40 per cent of China's railway mileage, 70 per cent of her total smelting and mining enterprises, and over half the textile It accounted for 40 per industry. cent of China's entire export trade. Under Japan, Manchuria's industrial facilities and communications greatly expanded.

Certain temptations are inherent Russia's special position Manchuria, coupled with the authority of the Kremlin hierarchy in the world communist organization. By the Treaty of 1945, Russia became half owner of the trans-Manchurian railway system, which has its terminus at Dairen. Russia also acquired equal ownership and management rights in valuable auxiliary mines, industries, hotels and other enterprises. Moscow obtained joint control of the naval and air base at Port Arthur, the right to move troops in the railway zone, co-administrative authority in the city of Dairen, and duty-free trans-shipment

At last there is in Manchuria a government which would appear to fit Moscow's description of "friend-ly." Indeed it is pledged, by past vows made before Chinese www made before Chinese com-munists came to power, loyally to obey Kremlin—that is, Comintern— directives. And yet—they are still Chinese there. They can no more wish to see Manchuria or any part of China absorbed, annexed, bossed or pushed around by Russia than the Russians would like to see Siberia annexed, as an "autonomous state," by China.

Head-on Collision

If Russia were now to seek to deprive the Peiping government of control over the economic, political and military life of Manchuria or to detach it from China after the pattern of Outer Mongolian "inde-pendence," there would be a headon collision of nationalisms within the communist-run world. Chinese communists could no more survive the loss of Manchuria to Russia than the latter could permit the annexation of the Ukraine by communist Poland or its absorption into a Polish-German communist federa-

· What meager reports one gets about current Soviet-Chinese relations in Manchuria indicate that old suspicions persist, abetted by the Chinese basic dislike of Russia's colonial position there. And the Chinese still resent Soviet looting of machinery Manchurian stocks, arsenal equipment, and so on, estimated by the Pauley commission to be worth \$850,000,000.

China-trained Reds have also been somewhat disillusioned by their encounters with Soviet bureaucrats in Manchuria. Among themselves the

almost ascetic equality in living conditions, sharing everything alike between officers and men. They were rudely shocked to discover the wide differences in food, clothing, quarters, pay and privileges between various grades of Russian soldiers and civilians. There have also been incidents of arrogance and condescension.

A more serious source of friction is likely to develop out of the practice of importing Russian-trained, Russian-speaking Chinese to take over responsible authority in the Soviet-Chinese joint enterprises and in zones of co-occupation. An outstanding case of the kind was the return of Li Li-san, who was brought to Harbin, and is now a figure of power, owing to his close connection with the Russian secret police.

As former head of the Chinese Communist Party, Li Li-san bitterly fought Mao Tse-tung and had him expelled from the Politburo. Mao won out in the field, where he organized the Chinese Red Army, and Li Li-san fled to Moscow fifteen years ago. For a time Li had Comintern support, but Mao's success with the peasant movement earned Now, in returning Li Li-san to Har-bin in 1945, the Russians reopened an old chapter of rivalry.

On his own, Li could no longer seriously challenge Mao's internal prestige and popularity. But some Chinese communists think that his restoration to regional power was symptomatic of a Kremlin policy aimed eventually to establish an autonomous Manchurian party dominated by Chinese loyal to Moscow rather than the Chinese Politburo. Although Mao Tse-tung issued a belated welcome to Li Li-san, he must have resented this development much as Tito resented the MVD specialists sent in by Russia to "supervise" in Yugoslavia.

But 1945 was no time to rebuke Moscow. Until China was firmly unified under communist power there would be no open schism between the Russian and Chinese parties.

New Federation

And today? Much depends upon how far the Russians push for the separation of Manchuria from China. Far from accepting the role of satullites, either for Manchuria or China as a whole, the Chinese communists look upon their country as the potential focus of a new federation of Eastern socialist states, which can exist independently, on a plane of complete equality with the U.S.S.R. While the Kremlin cannot be much happier over such a prospect than it was about Tito's Balkan federation scheme, it would be highly illusory to imagine that the Russains will promptly repeat, in China, the mistakes which lost them effective control of Yugoslavia. They will proceed with extreme caution, hopefully waiting for the Americans to make the blunders on which their own success could be improvised.

China now represents a long-range problem of "management" for the Kremlin, which Appriored For Release 2006/04/21nd CHARDP83-00415R0030000600070ther hand, it might

fied or greatly complicated by American policy. So long as it is true that the United States is the main support of the old regime in China, and of any or all anti-communist parties, groups, politicians or war lords prepared to continue what is now clearly a lost war, Americans will easily hold their present position as Foreign Enemy No. 1. it is reasonable to suppose that by 1951 the communists will have shattered all opposing military power in the country, and America will have accented the inevitable. What have accepted the inevitable. then?

The new Peiping communist regime has been established by a revolution which satisfied some urgent needs of the peasantry—combined with the energy aroused by anti-foreign slogans of a nationalist movement. It can succeed and endure only by continuing that same pattern-by redeeming the most important promises of internal progress, popular reform and true national independence. It cannot succeed by betraying those promises. It would be destroyed if it surrendered the interests of the Chinese people to Russian demands which might make of China a colonial instrument or base for aggress ve war against the United States.

Ambitious Program

The new government's program envisages rapid industrialization, expanded public works and communications of all kinds, greatly increased and modernized agricultural output, enlarged facilities for mass education and public-health work, and the training of thousands of new technicians capable of directing an economy co-ordinated by state planning. Yet it starts off with a nation that is bankrupt—its cities ruined, its railways wrecked, its machinery antiquated or useless, its river and canal systems broken down, its people hungry, weary and ragged, eager to work but lacking the tools and other means. Chinese communists are not so stupid as to think, once they begin to carry the full responsibility of national power, that they can solve all those internal problems and simultaneously launch a war, or help Russia to launch a war, against the United States.

All Chinese are deeply conscious of the desperate need for an extended period of peace. Mao Tse-tung knows that his ambitious state program will require capital and credits on a huge scale, heavy industrial machinery and looks of all kinds, and hence a large volume of foreign imports. He and other communists realize that Russia cannot satisfy demands for capital goods even in Eastern Europe and Siberia. less can Russia right now become the industrial arsenal of a new China. If the new regime is to make a speedier success of modernizing China than its predecessors, it will have to seek aid wherever practicable, rather than abide by ideological preferences. China will need at least the businesslike understanding

credit arrangements. America is unlikely to recognize the new regime until it has unified control over all China. Even after that, relations may be distant and cool compared to the past. But the roots of anti-Americanism are not deep in China. They will diminish in proportion as the need of American help becomes more urgent.

No Menace To US

China as it stands presents no war menace to the United States in the visible future. General MacArthur was quite right when he said recently that Chinese Red successes did not endanger our security. market, China need not be missed in the American economy; the balance of our trade there has been heavily unfavorable for many years. This is an excellent time for Uncle Sam to leave the initiative in our future relations entirely up to the Chinese, and give them plenty of time, years if necessary, to realize the main fact. That is, that Sino-American trade is at least as impo China as it is to the U.S.A. important to

I have suggested that there are serious contraditions between the national aspirations of the Chinese communists and Russian nationalist expansion under the guise of "internationalism." But such differences are a very minor matter compared to the "contradictions" between the "national aspirations of the Chinese communists" and the aims of continued American intervention against them! If the purpose of American policy is to strengthen China's independence from Russia, then it is not likely to be achieved by forcing the communists—who already rule about half the population-to resign themselves to the terms of Russian alliance, in self-defense. If it were demonstrated, however, that the United States does not intend to that the hold onto any part of China, nor to try to impose its will there in alliance with anti-communists of all varieties, the factors I have discussed would then come into operation establishing the character Sino-Russian communist relations.

In any event, in the long run the Chinese Communist Party probably cannot and will not subordinate the national interests of China to the interests of the Kremlin. If our policy is washed clean of interventionism, history may evolve along lines for which all the necessary preconditions now exist. China will become the first communist-run major power independent of Moscow's dictation. And that in itself would project entirely new perspectives within the socialist camp as

well as elsewhere.

Peiping might eventually become a kind of Asiatic Moscow, an Eastern Rome preaching Asiatic Marxism out of Moscow's control. As such, it would come to constitute the symbol of the overthrow of the European colonial system in Asia, as well as the denial of principles of democracy that have grown with private-property rights in the ownership of the means of producalso set up a frontier against the expansion of communism as an extension of Russian nationalism in the East—a barrier as effective as that now erected at Belgrade in the West.

It is just possible that an independent China under communist leadership, at the center of a new system of independent Asiatic states, might eventually prove to be a prin-cipal factor in the stabilization of world peace. Given the opportunity to develop its own resources in arm's-length co-operation with other nations, such a new Asia might form a bloc of powers important enough to maintain a stable balance between the Russian and American spheres of influence.

People accustomed to thinking in terms of ideological absolutes may find it hard to understand how "communism" can be contained by communism or how it could be checked by anything but its exact opposite, which they tend to see as "capitalism." But there are many shades and variations in meaning and growth in words of that type, and there will be more. Dialectically, it is likely be more. Dialectically, it is likely that the threat of Russian world dictatorship will be checked by rival developments of communist power as well as by social democracy and modified capitalism.

New Polarizations

History shows us that aggressive universal faiths and organizations have been halted before they conguered the world-or burned it upby internal rivalries or disintegra-tion more often than by attacks from without. Until a few months ago, many people considered it an immutable law that communist states everywhere, at all times, would always submit unconditionally to Kremlin dictation. But even people who do not understand anything else about the Yugoslavia schism realize that something new has been added to the word "communism"—because the above statement is obviously untrue. Now at least it must be amended to read: "Every communist state, at all times, will submit unconditionally to the Kremlin—unless it has an army and a police force loyal to its own national leaders first, and to the Russian national leaders second."

Anyone may speculate about what comes next in China, but no one can now predict all the results of the new polarizations of power in Asia. There are grave risks involved in a policy of nonintervention in the internal affairs of China and other Asian states. There are perhaps even greater risks entailed by unqualified support of the status quo. For even the most myopic observer must realize that a new era of nationalism—independence combined with various forms of social revolution-is now a reality for most Asiatic nations. Events in China are merely the most dramatic current expression of an upheaval that

-and of government of, by and for Asiatics.

It is not my funct on here to pre-dict whether this era will be for better or for worse, for all concerned. It is not in my province to pass any moral judgments on the events themselves. What is important for everybory, however, is to recognize the changes visibly made by history working before our eyes. Especially the basic change,

which is that the entire colonial system is close to an end.

Any policy which denies that or aggressively attempts to revive imperialism—under whatever name—can only prolong the struggle of Asia for equality and independence, at further frightful waste of human effort. But it is much too late to restore any empires in this part of the world. Too late for Russia as well as for any other power.

Java Today:

Resembles Police State

Frances M. Earle

(The following account of conditions in Indonesia, written by Dr. Frances M. Earle, associate professor of geography at the University of Washington, is reprinted from THE SEATTLE TIMES. Dr. Earle has been in Southeast Asia on research work for a year, the past nine months in Java. She was in Jogjakarta, the Republican capital, when it was bombed and captured by the Dutch on December

JAVA today resembles a police state. In the larger cities, including Batavia, there are civil police, military police, general police, special police, Indonesian police, Eurasian police, and Dutch police-plus the Armv. the Navy and the Marine Corps.

The police and the military can and do regulate almost everythingexcept traffic.

Jeeps, trucks and weapons-carriers are familiar. They are all of United States manufacture. So are most of the military planes. So are most of the military planes. So are many of the uniforms, procured from surplus stocks in the South Pacific. Boyish-looking Dutch marines wear canvas shoulder bag: marked: "U.S. Navy Gas Mask."

Dutch troops in Indonesia in December, 1948, were estimated at 130,000 to 140,000. At least one shipload of troops from Heliand has landed since then and another is reported en route.

In the interior, Republican forces are operating. They are not as well clothed as the Dutch, or as wellarmed. But early statements by the Dutch command that the Republic would be crushed in the first three days of operation were gradually modified to six weels, then to three months.

The official Dutch position at present is that nothing but sporadic guerrilla attacks are being made. Privately, the Dutch talk hopefully about pouring ad-ditional troops into Java to end Republican resistance

Republican troops have filtrated or returned to the pockets they formerly oc.-

by July.

They are fed by the Indonesians in spite of reprisals by the Dutch on any village found giving assistance to the Republicans.

According to eyewitness accounts Republican activities in Middle and East Java are increasing. Systematic night attacks have destroyed rail bridges, railway stations and high-way stations and highway bridges. Road blocks are common. The use of land mines is increasing. One or two important towns were so isolated they had to be supplied from the

The Republicans boast that no Dutch have set foot in Atjeh, in Northeastern Sumatra, since the end of the Second World War.

The Republic periodically announces the recapture of towns and even the reoccupation of certain parts of Jogjakarta, their former capital.

The resistance is costly to the utch. The total is estimated at \$300,000,000. Indonesians are convinced Economic Cooperation Administration money has been used to finance this military venture. They argue that only withdrawal of ECA assistance will have any positive effect on the Dutch policy.

There is a common saying here: "Hit them in the guilder—that is where it will hurt most."



Educational Changes In Peiping

Yu Wah

Peiping (by Mail).

THE liberation of Peiping came sooner than was expected and

ducation was caught unprepared. Moreover, education constituted a different problem from the political takeover, and the Communists felt it should be dealt with slowly. The university system, imported as it was from the West, could not be transformed overnight into one in keeping with the New Democracy.

The Communists have laid down the general line for educational reform but its technical details are to be worked out later by the educators under government supervision. The guiding principle is this: Education under the New Democracy must transform China from an agriculturally backward into a modern industrialized country. Naturally, science, engineering, agriculture and medicine are given first priority.

Science And Agriculture

The type of pure science which China's returned students introduced to this country in the last 50 years is condemned today for its isolation from applied science. The concensus now is that the study of pure science should be incorporated with that of applied science and scientific colleges and factories should be interrelated, so that science and engineering students may go into the factories for practical experience while factory personnel may attend college for instruction or exchange of views on various technical problems. Both government and educational circles favor the setting up of separate institutions outside the universities to train technicians, the number of which must be greatly increased to fit in with government plans boost production. No action how-ever, is expected to be taken before the new academic year begins in September.

The same ideas have been expressed with regard to agricultural education. Agricultural colleges, it is felt, should focus their attention on how to improve the economic life of the peasantry through such means as increasing their productivity and improving upon existing farm tools and fertilizers. The peasants, it is hoped, will be encouraged to regard agricultural institutions as an immediate aid to them and not something remote and of no concern.

Law departments have been the subject of severe criticism which describes them as a "manifestation of Nationalist oppression over the people." The government has not indicated definitely that they should be closed down, but has declared that the curriculum is "reactionary" and students so trained will find themselves "unfit" for the new democratic state. While no action has been taken by either the government or school authorities, class attendance at the law department at Tsinghua

The author of this article is not known personally to the editors other than the fact that he is connected with Tsinghua University in Peiping. His report, therefore, is not offered as a definitive account of Communist views on university education, but rather as an informative description of the changes which have already been made or are being contemplated—Editor.

University, for example, has gone down 50 percent.

Another targes of criticism is theology, the teaching of which has been prohibited. This ban has affected the Chinese Catholic University and Yenching University. Private individuals, however, are to be allowed religious freedom until such time, the Communists envisage, as science advances to a stage where the forces of nature can be brought under control.

Marxism and Leninism, which could only be smuggled" to the students under the Nationalist rule, now are being given widespread attention. The two subjects are being taught at Tsinghua Peita and Yenching, although no credits are given, and in three new Communist universities which have been established in Peiping. These universities, the People's Revolution University, the North China Mil tary and Political University (of which Peiping's mayor, General Yeh Chien-ying is chancellor), and the North China University, have a combined attendance of 20,000 students, and offer four to six-months courses in Marxism, Leninism and the ideology and strategy of Mao Tze-tung.

Another 20,000 students from the Peiping-Tientsin area are being recruited for the Civilian Service Corps for the area south of the Yangtze river. Members of this corps, after a brief indoctrination in Communist ideology, will follow the Liberation Armies for the taking over of Nationalist political, economic, cultural and educational institutions and state-owned railways and mines south of the Yangtze River.

The education and economics departments of the universities have come in for only minor criticism. These subjects are regarded as indispensable tools for the promotion of the people's welfare if the bourgeois standpoint is replaced by that of the proletariat. Bookkeeping and accounting, for example, can be as useful to the New Democracy as to any regime.

Shortly after Feiping's liberation the students in Thinghua and other universities began clamoring for reforms in both the curricula and the university administration. Students and faculty members alike have met

frequently in the last two months to discuss what can be done to gear the university system to the New Democracy. However, all feel that the changes must be so basic that it will take time to effect them. Furthermore, although in such fields as science, engineering agriculture and medicine students have been trained along western lines and the laboratories and textbooks have been imported from the United States and the United Kingdom, there is such need for trained personnel that the status quo must be maintained until a smooth changeover can be effected. Likewise, the law schools have been left alone because there is nothing to replace them at the moment.

In the arts college, however, some minor changes have been made. Communist literature has been introduced into the freshman Chinese classes, and in freshmen English the old textbooks have been discarded and English-language material on Russia substituted wherever possible. Some students even requested exemption from freshman English. A special examination was given at Tsinghua University in March which released a small percentage of students from the course, but the majority will continue the study of English.

Since the Government has not demanded any immediate reforms in the curricula other than the elimination of reactionary material, the faculty members favor postponing any action until the end of the second semester in June.

Productive Work

It has been suggested by educational circles, notably at Yenching University where US Ambassador J. Leighton Stuart used to be president, that faculty members take over the administration of the universities in order to release a number of office workers for more productive work While this suggestion has not been acted upon, office employees and laborers at Tsinghua University have already begun to engage in productive activities. The arable land at the University has been distributed among them for the spring crop and the vield will go to the tillers. The the yield will go to the tillers. The indication is that faculty members and their dependents and students will follow suit. The present pay scale for educational workers is not large enough to support a family and dependents, therefore, will have to engage in some kind of productive work. Students are still receiving their government subsidies on a temporary basis, but eventually they, too, will have to revert to part time productive labor.

The government took over the financial responsibility for Tsinghua University on January 1. The salary of educational workers was virtually unchanged and is calculated in terms of so many catties of millet

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Wages are paid both in cash and in kind. Basic pay is calculated according to two sets of formula, one for pay under 300 CNC and the other for pay above 300 CNC.

Briefly, it works out as follows: If a worker's basic pay is 160 CNC, he receives nearly 600 catties of millet, 90 of which he receives in kind. If his basic pay is 400 CNC, he receives nearly 800 catties, 90 of which is paid in kind. An unskilled laborer at the university receives 150 catties and a skilled laborer 300 catties. The price of millet was quoted at eight Jen Min Piao a catty in January and 11 Jen Min Piao in February. Up to March 17, when the government opened remittances and trade with the Nationalist areas, the conversion rate between the Jen Min Piao and the Gold Yuan was one to 10. (The blackmarket exchange rate between the US dollar and the Jen Min Piao is one to 600.)

Administrative Changes

Several changes have been made in university administration. Formerly, only professors and persons on the highest levels of administration attended faculty meetings. Now they are open to persons of lower rank as well. All decisions must be discussed and approved by the parties concerned before they go into effect. While under this system the president of the university may appear to be only a nominal head, the feeling is that he should execute the decisions, not make them. The practicability of this has been illustrated by the fact that Peita, Tsinghua and Yenching universities have been virtually without a president since the liberation of Peiping and this has not interfered with their normal functions. Another notable change is that school finances, which formerly were a closed-door business. have now been exposed to public scrutiny. Also, the posts of dean of discipline have been abolished.

Next in importance to educational reform is the task of setting up a research institute to make a thorough study of Peiping's population problem. The city has an estimated 1,300,000 non-productive consumers out of a population of 2,500,000. The problem is how to encourage these consumers to migrate to productive areas and reduce the city's population to around 1,000,000. Results of the research institute's study and whatever recommendations it make should play an important part in the government's production crease program. The government is also employing scholars to translate books on law and government administration patterned after the USSR and the Eastern European countries.

These reforms, and whatever others may be made here during the few months, must emphasized, are not final, and will not be until the entire educational system of the country can be unified.

The Week's Business

DESPITE the issuance of big denomination notes of GY5,000 and constituted the most important development during the past week, and worthy step was the deci-GY10,000, the shortage of cash notes more bank orders had to be used, many of which were found to be counterfeit.

Prices in general continued to rise and the peak was reached on Monday (April 4), when gold was quoted at GY1,250,000 per ounce and green-backs at GY28,000. The price of rice reached GY160.000 per picul.

This bullish trend was checked in the afternoon when the Central Bank of China dumped 50,000 ounces of gold in the market at GY1,250,000 per ounce and it was reported that over GY70,000,000,000 was recalled by the Bank during the day.

A tight money situation was created and the interest rate went as high as GY300 per mille per day by evening. Many banks found it impossible to balance their accounts in the Shanghai Clearance House and sold gold bars to the Central Bank late at night at prices as low as GY900,000 per ounce. It was estimated that as much as 10,000 ounces of gold was sold during the night to the Central Bank, which made a profit of GY3,500,000,000.

In this connection, it worthy of note that the Central Bank has brought large quantities of gold from South China in recent weeks and more is expected o arrive in the near future. Furthermore, gold is being nurchased by the Central being purchased by the Bank in America at the official price of GY35 per ounce. All these consignments of gold are expected to be dumped in the local market to recall Gold Yuan notes.

In his report to the Legislative Yuan, Dr. S. Y. Liu, Minister of Finance and Governor of the Central Bank, declared that China now has gold, silver, foreign exchange commodities valued at US\$200,000,-000. These assets, he said, will be dumped on the market and should last at least for one year. According to Dr. Liu, China's total note issue at the end of March was only GY200,000,000,000. At the exchange rate then the Government could have redeemed all the Gold Yuan notes with US\$10,000,000.

Dr. Liu revealed further that three-fourths of the National Budget is being used for military purposes and that the Government will be able to meet its obligations by the sale of US\$15,000,000 worth of assets every month. The monthly budget for the entire Government is 120,000,000 silver collars, of which 90,000,000 silver dollars is alloted to the National Defense Ministry for military expenditures.

sion of commercial banks not to cash checks until after they have gone through the Shanghai Clearance House. This means a 24-hour time lag after a check is deposited, and brought local markets to a standstill on Tuesday and Wednesday.

This decision on the part of the banks was reached because of the increase in the number of dishonored checks during the past months due to the practice of businessmen issuing checks without depositing the necessary amounts first. The banks had found it necessary to advance the money and often when it was learned late at night that the dishonored checks amounted to hundreds of millions of dollars, they were forced to sell gold at cheap rates to the Central Bank.

The decision was adopted, therefore, as a measure of protection for banks.

New regulations issued by Finance Control Bureau to stop the banks from the reckless issue bank orders also checked the smooth flow of credits and, as a result, busipicul, dropped to GY150,000 per picul ness and the markets were quiet.

However, prices increased as soon

as money became easy. By the evening of April 6, gold was quoted at as high as GY150,000 per ounce GY32,000. while greenbacks were The price of rice, which increased to the new record of GY200,000 per picul, dropped to GY150,000 per picul on the same day when more arrivals reached town.

Although statistics are not yet available, well-informed business circles state that many firms have closed down and many others have gone into bankruptcy. The Central into bankruptcy. The Central Bank's policy of selling gold at high into rates and buying it from the public at extremely low rates when money turns tight has been the subject of strong criticism by the local press during the past few days. It is felt that the Central Bank should assist businessmen rather than compete against them.

The following list gives the quotations of some of the leading commodities on March 30 and April 6:

	Mar. 30 GY	Apr. 6 GY
Gold	800,000	1,340,000
US Dollar	16,000	29,500
Clearance Certificate	16,000	26,000
Silver Dollar	12,000	27,500
20's Yarn	2,930,000	5,000,000
Rice	89,000	168,000
Wing On T	extile 9.75	24.50

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NEWS OF THE WEEK

Delegates Open Peace Talks; Nanking Students, Army Clash

THE Government's six-man peace delegation headed by General Chang Chih-chung arrived in Peiping by air on April 1 to start negotiating peace with the Chinese Communists. Details of the delegation's reports to Nanking were kept strictly secret and most of the papers were resorting to speculation on the nature of the current talks.

The Kuomintang's official organ, the Central Daily News, published in Nanking, disclosed that the delegation opened negotiations in Peiping with proposals of an immediate cease-fire and convocation of a multiparty political consultative conference. It was even claimed by sources close to acting President Li Tsungjen that the Communists had agreed in principle to issue a cease-fire order shortly. But competent observers believe the matter is not that simple.

It is understood that the Nationalist peace delegation spent the first few days in an informal exchange of views with individual members of the Communist peace delegation in order to "cultivate friendship" and create a more favorable atmosphere for formal talks. One Chinese paper said General Chang Chih-chune emphasized the Government's sincere desire for peace in the interests of world peace at an informal meeting with the Communist delegation. He was further reported to have said that mutual recognition and not mutual antagonism was required between the two parties. He urged mutual consultations, not arbitrary decision; mutual concessions, not des-

According to the same paper, General Chou En-lai, head of the Communist delegation, said in reply: "It is only a dream of fools to think that a third world war will break out." Those "fond of war," General Chou was reported to have declared, wish to take the opportunity of talking peace to delay the attacks of the Communist People's Liberation Army so that they can rearm for a counterattack. He further demanded that Communist Leader Mao Tze-tung's eight terms be carried out and that the Kuomintang demonstrate its sincerity by actions and facts, not mere words.

The mood of pessimism is very strong in well-informed circles in Nanking regarding the prospects for peace. In the words of an outspoken and sharp-tongued observer, "Maybe it was only a coincidence that the long-awaited peace conference between the Kuomintang and the Chinese Communists should have started on April Fools' Day. It will

be the Chinese people who are most likely to get fooled."

Nanking Incident

SEVERAL hours after the Government's peace delegation left Nanking for Peiping, there occurred in the capital highly regrettable incident, involving students and army officers. As a result, a student was killed and more than one hundred others badly injured. There were different versions of the incident. But some facts were beyond dispute. It was understood that several thousand students of the various colleges and universities in Nanking staged a demonstration and went to peti-tion acting President Li Tsung-jen about improving the livelihood of the students and releasing students who were rourded up last year. The students reasoned that since acting President Li had already ordered the release of all political prisoners there was no reason whatsoever why the arrested students should still be detained. Besides, the recent skyrocketing of commodity prices has made life very difficult for the students.

According to Reuter, the demonstrating students shouted such slogans as "More American Aid Would Kill Our People." They carried posters saying: "We Oppose False Peace. I lown with Bureaucratic Capitalists! Liquidate their Properties! We Oppose Conscription and Taxation in Kind."

False Peace

The Associated Press reported that the demonstrating students distributed leaflets which said among other things: "Now we are hearing of the departure of the Government's peace delegation. This is only a gesture to fool the people since the Government has lost the war and all its troops... We know this peace resture is false because the Government continues large-scale conscription of troops, requisitioning of food, and because the Government is continuing its preparations for war and strengthening the Yangtze River defense."

The official version, as made public by the Government, described the incident as a 'clash" between inactivated Nationalist army officers and the demonstrating students who were charged with having aroused the dissatisfaction of the officers with their "pro-Communist propaganda." But the official story failed to explain why more than 100

students were injured in this "fracas."

The students told a different story. They charged that the whole incident was a well-planned job. They were beaten up with wooden clubs by more than 1,000 inactivated army officers now under the care of the Ministry of National Defense. It was further charged that a large group of students was stoned and clubbed in front of the gates of the Presidential Office.

The heavy casualties among the students indicates that the whole matter was something bigger than an "accidental" soldier - student fracas. Reports on the number of students injured also were conflicting. The spokesman for the Nanking garrison headquarters said only 60 students were injured. The Ministry of Education, in conjunction with the presidents of the various universities and colleges in the capital, conducted a thorough check and announced that 110 students were injured, one of whom died afterwards. The casualty list made public by the students counted one killed, 70-odd badly injured, 200-odd slightly injured and 30 missing.

Violent Reaction

The Nanking "incident" caused a big stir throughout the country. The violent reaction on the part of the Chinese Communists, as evidenced by the sharp attacks voiced by the Peiping Red radio station, added significance to the trouble. The Government authorities were doing their best to hush up the matter. A special curfew has been enforced in Hankow, Foochow and elsewhere to ban student demonstrations. Shanghai, precautionary measures were taken to forestall similar student trouble. The local Chinese Shanghai, precautionary and foreign press was called upon by the Government authorities to help enlighten the students "not to be utilized by some subversive trouble-makers." Fang Chih, director of the Shanghai Kuomintang Head-quarters, deplored the Nanking incident and requested the local press to wield its editorial power to prevent a similar tragedy in Shang-

In order to prevent further trouble, the Government has ordered the removal of the inactivated army officers from the city to the suburbs. But Reuter reported April 4 from Nanking: "Last week's skirmishes between demonstrating university students and veteran Kuomintang officers and N.C.Os back from the front threatened to flare up again today when officers picketed the Dramatic Art School and threatened to shoot any student venturing outside."

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Psychological Warfare

AT the same time when peace negotiations between the Kuo mintang and the Communists formally started in Peiping, there was a significant exchange of messages be-tween General Fu Tso-yi, former Nationalist commander-in-chief for North China and Communist leader Mao Tze-tung. General Fu, in a circular message to Chairman Mao Tze-tung, all democratic parties, people's organizations and patriotic elements inside the Kuomintang, pointed out that Peiping was saved from destruction by a peace settle-ment and expressed the hope that all Kuomintang military and government personnel with patriotic sentiments would courageously their mistakes and work for peace, on Peiping's pattern. Fu also pledged his support to the Communists.

Mao Tze-tung in his reply wel-comed Fu's willingness to stand on the side of the people and told the civil servants in Nationalist China that they would also be welcome whoever they might be, provided they distinguished right from wrong.

Mao's statement is viewed as a severe psychological blow to the Nationalists. Reuter commented:
"Qualified neutral observers here

today told Reuter that the Chinese Communists dealt the Kuomintang Government what was probably the most serious psychological blow so far when their chairman, Mr. Mao Tse-tung, last night told Nationalist officials that 'they will be welcome to work by us no matter who they

are.'
"Mr. Mao's broadcast statement may set at rest lurking fears in the minds of many Kuomintang minor officials about what may happen to them if the Communists took over all China, these observers said.

"The statement might also immeasurably increase the popular lethargy among the masses in Nationalist China towards further resistance to the Communists, heighten the prospects of further 'piecemeal peace' on the Peiping pattern unless it is quickly and effectively countered by the Ho Yingchin Government, they said.
"The statement has virtually cut

off any further retreat of the Nationalist Government from the peace conference table at Peiping if the Communist terms prove too severe, these observers thought."

MacArthur Plan

THERE has been much agitation in recent weeks in the United States for extending more aid to Nationalist China in its desperate fight against Communism. Harold E. Stassen proposed a MacArthur Plan for Asia patterned after the Marshall Plan for Europe. He elaborated on the subject: "We must conclude we are foolhardy to contribute by our action or by our withdrawal of aid, to the Communist domination of China. We should move and move promptly to

assist by materials and by counsel, in maintaining the independence of Canton and of the four southern provinces of Kwangting, Kwangsi, Fukien and Hunan, and of Taiwan and Hongkong."

But Americans who are watching the China situation or the spot feel that Stassen did not know what he was talking about. In this connection, an AP story makes interesting

"Americans in China read the debates of Congress which center on stopping Communism and wonder anew how Uncle Sam can stop Communism in this huge, crowded land without getting caugh in a flock of collateral problems that would require billions and night not even then be solved.

"Most of them feel that Communism, like every other revolutionary movement in China's history, was brought about by internal conditions which the west always oversimplifies. They feel that until those conditions are rectified, China is doomed to turmoil and to one revolutionary movement after another.

"The renewed suggestions from Washington that the Red tide be halted by more American money to the Nationalists sounds to the average American in China like a suggestion that old mistakes be repeated.

"It also brings up the problemwho will the money go to? Chiang Kai-shek and the disp rsed remnant of his Kuomintang government and the scattered indifferent ragtag million or so discouraged men that re-main of his armies. Or to Li Tsung-jen and his new regime which has its eye on one object and one only—some sort of peace with the

Reds?
"The suggested MacArthur Plan has the American in China scratching his head even harder. Does that mean a few hundred thousand American troops to run the show and interfere directly in China's war—or does it mean another Stilwell affair with the new 'MacArthur' subjected to the same obstructions and pressure frustrations which seem inherent in China toward any foreign leader who has a lot of money to ${\tt spend?}$

"Is Uncle Sam going to take on a job like that on the one hand while cutting back his own military expenditures elsewhere? And if Uncle Sam decides to underwrite the Nationalists with a MacArthur plan, is he also going to shove! in additional millions to solve the land problem, to feed the people while more war devastates more land, to stop inflation which incubates urban misery and sows new seeds of Communism every day?"

Peace Or War

THE much-debated Atlantic Pact was formally signed on April 4 was formany signed on April 4 in Washington by 12 nations includ-ing Belgium, Canad, Denmark, France, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal,

Before the signature, the States. Soviet Government had protested to the Atlantic countries against the project, which it charged was aggressive and aimed at Soviet Russia. It further charged that the pact violated the United Nations charter and the Potsdam and Yalta Agreements and contradicted both the Anglo-Russian and Franco-Russian non-aggression treaties.

President Harry S. Truman significantly emphasized that the influence of the pact "will be felt not only in the area it specifically covers but throughout the world." He also hailed the pact as a "shield against aggression."

But Senator Robert A. Taft thought otherwise. He said the pact might increase chances of an-other world war and called on the

Senate and public for a "complete

discussion" on its issues.

Taft, powerful chairman of the Senate Republican Policy Committee, expressed grave fears about the consequences of the pact in an address prepared for broadcast. He said despite provisions reserving to Congress the right to declare war the pact in fact would bind the United States morally to go to war if any member nation in Europe is attacked either by Russia or some other power.

"I am inclined to believe, therefore, that if we adopt the treaty we should do so with the frank admission that we are committing ourselves to go to war if Russia attacks one of the Western European na-

tions," he said.

While he did not consider this as "conclusive argument" against the treaty, Taft said he was fearful that its terms might "make us a policeman for all Western Europe" even if Russia became peaceful in the meantime. His most serious concern, however, was that pact nations "may give the Russians the impression, at least justified by themselves, that they are ringing them around with armies for the purpose of undertaking aggressive when the time comes.

"They may feel that, if war is to come, they had better undertake it before these armaments are built up. Under such circumstances, the pact, instead of being a deterrent to war, might become an incitement to war and make it more probable

instead of less."

Reaction in this country to the Atlantic Pact is varied. Acting Foreign Affairs Minister of the Nationalist Government George Yeh told the Chinese press that the pact would probably avert a third world war. A joint statement issued by leaders of the Chinese Communist party and various democratic parties and groupings condemned the Atlantic Pact as endangering the peace and security of mankind and aiming at provoking a new aggressive world war. It promised that the Chinese people would fight shoulder to shoulder with Soviet Russia if the Atlantic Pact signatories should dare start a reactionary war against the

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Chinese Magazine Roundup

New Hope



BEGINNING from its March 21 issue, the New Hope Weekly has printed a series of interesting and informative articles about the factional strife within

the Kuomintang. Several paragraphs dealing with the CC clique are given

With regard to the origin of the CC clique, the magazine has this to say: "The CC clique began its life as an anti-Communist organization, in the form of a so-called AB (Anti-Bolshevik) group organized by KMT members in 1927. Later on, as the KMT organization became bigger and the control of the party became more centralized, the leading elements of the AB group were absorbed into the Organization Department of the KMT. Finally, the AB group was completely dissolved and its membership came under the control of the Chen brothers who were then in charge of the organization work of the KMT. In this sense, CC really meant 'Centralized Control' instead of the Chen brothers as is generally explained."

According to the magazine, the activities of the CC clique spread activities of the CC clique spread from party affairs to the political field. "In the beginning," it writes, "the clique was only absorbed in party affairs and cultural activities. In was only after 1930, after the defeat of Generals Feng Yu-hsiang and Yen Hsi-shan, that the CC clique extended their influence over poliextended their influence over political affairs. So far as numerical strength is concerned, the CC clique probably heads the list of the various factions inside the KMT. But its leadership is too poor, and talented people preferred to stay talented people preferred to stay away because they did not like being bossed around. Chang Li-sheng, top-level leader of the CC clique, once significantly remarked that, when he was the Director of Organization of the KMT, he did not even have the authority to appoint or dismiss any of his low subordinates. The well-known Chow Fu-hai and Ting Mo-tsun, both of them high KMT officials who defected to the Japanese to become officials in the puppet Nanking reofficials in the puppet Nanking regime, were all active members of the CC before they decided to desert. Others, like Huang Yu-jen who are now known for their scathing attacks against the CC in the Legislative Yuan, were also formerly followers of the Chen brothers and had been sent abroad by them for advanced training. Still others, like Chu Chia-hwa and Chang Li-sheng, though fostered within the folds of the CC, have now cut themselves lose and are wont to oppose the CC in all sorts of manners.

"First on the list of the CC's political enemies come the Com-"First on the list of the CC's not able to save himself from defeat, political enemies come the Com- though he was in all respects much munists, to be falphfolded For Release 2006/04/21 PCIA PP83-00445R0030000600076-4 ictory."

tical Science Gr up, and the Re-formationists (the followers of Wang Ching-wei after the Nanking and Wu-han open rif.).

"In its struggle against the Communists, the CC is waging an ideological war against the common enemy of all KMT cliques, but in its struggle with fellow KMT members, the matter boils down to be that of a struggle for power, or to be exact, for private interests."

The CC clique managed to control Government through machinery of the party but the mass recruiting of Government officials into the party has made the KMT become a loose organization, the magazine discloses.

"Under the principle that the party is all powerful, it has always party is all powerful, it has always been the goal of the CC to put everything under the control of the party" the article explains. "Acparty," the article explains. "Accordingly, the rate was formulated that all public functionaries of the National Government must become members of the LMT. Also, it was stipulated that all officers of the armed forces have to be party members. A system of the so-called 'special registration of party members' was then set up to acilitate the entry of elite members of society into the KMT. This measure, however, by opening the door to numerous opportunistic warlords, bureaucrats and politicians who thus flocked into the KMT, had the effect of seriously undermining the strength of the party and of gradually bringing it to its present plight. Later on, the Central Training Corps was established as a many of industing neolished as a means of inducting people into the KM''. Those who are given one month of training are supposed to become 'marginal' members while these the library here. bers, while those who go through six months of training in the 'senior training class' are absorbed into the nucleus of the party. But all in all, this practice has done more harm to the KMT than good, since the greater part of the people inducted into the party are opportunists who are only interested in their own political advancement, while a large number of men of real talent become alienated from the party."

The phenomenal success of the CC clique has been due to the fact that it has the llessing and strong backing of Generalissimo Chiang Kai-shek, the magaznie points out,

saying:
"That the CC has always been able to have the upper hand in this political struggle is entirely due to the unshakable confidence of the 'Supreme Leader' in the loyalty of their clique, and is not due to any extraordinary skill or forsight as displayed by its members. It is solely on this count that Yave solely on this a count that Yang Yung-tai, the late all powerful chief of the Political Science Group, was

Chen brothers and though he, too, enjoyed the confidence Supreme Leader." the

Masses Weekly

IN Shin-fu makes a detailed study in Masses Weekly of February 3, of the lessons of Chinese revolu-tions and comes to the conclusion that the present revolutionary move-ment in China is quite different from the revolutions of 1911 and

1926-27 in Chinese history. "First," he says, "the historical characteristics of the present revolution are vastly different from the revolutions of the past. The Chinese revolution has developed to a point at which the relative strength of the revolution and counter-revolution has undergone a funda-mental change. Today, the people's strength of the Chinese revolution, which is based on the proletariat and the peasantry in cooperation with the petty bourgeoisie and national bourgeoisie, has far exceeded the strength of the counter-revolutionary landlords, bureaucrats and big bourgeoisie who are supported by American imperialists. The counter-revolution is well on the high road to destruction, while the revolution is marching forward by leaps and bounds...

"Second, the prevailing inter-national situation is also different from what it was in 1911 and 1927. After the Second World War, the whole world split into two hostile political camps as the result of the attempts made by American imperialism to dominate the whole world and invade the countries in world and invade the countries in both Europe and Asia. The line-up is quite clear. One side is headed by the United States, comprising the British, French and other im-perialists. The other is led by Soviet Russia, comprising the new de-mocracies in Eastern Europe and the revolutionary movements in the colonial and semi-colonial countries in the Orient. The former is an anti-democratic imperialistic united front; the latter, an anti-imperialistic democratic united front. Beeconomic trouble in Britain and France and the United States, it is impossible for the imperialists to act in concert against the Chinese revolution. The rapid growth of re-construction in Soviet Russia and other Eastern European countries has added to the strength of the world revolution, which is also superior to the global counter-re-volution. This is favorable to the Chinese revolution.

"Third, the Chinese Communists who are leading the Chinese revolution are no longer inexperienced and incompetent. On the contrary, the Chinese Communists have become hard-boiled, well-tried and thorough-

US Magazine Roundup

Foreign Policy Report

A SIGNIFICANT analysis of the North Atlantic Defense Pact is carried in the February 15 issue of Foreign Policy Reports published by the Foreign Policy Association. The study contains pertinent facts regarding the background of the pact, written by Blair Bolles, and a discussion of the pros and cons, contributed by Vera Micheles Dean.

In outlining the background of the pact, Mr. Bolles recalls that the idea of a military alliance between the United States and Great Britain was first suggested by Winston Churchill in his Fulton, Missouri, speech on March 6, 1946 and received a cold reception at that time. With British Foreign Secretary Bevin's proposal in January, 1948, for the formation of a Western Union consisting of France, England and the Benelux countries, however, and the developments in Czechoslovakia that February, the traditional American antipathy toward military alliances began to dissolve, he points out.

The ice was broken for official American action on an Atlantic Pact with the passage by the Senate on June 11, 1948, of the Vandenberg Resolution proposing that the United States pursue international peace and security by the "progressive development of regional and other collective arrangements for individual and collective self-defense"

"Encouraged by the resolution."
Mr. Bolles writes, "the State Department in July initiated conversations with the Brussels powers and Canada" and on December 10 started negotiations on the Atlantic treaty.

From here on Mrs. Dean takes over. In the eyes of the State Department, she writes, "the core of the case for the pact" is that "if world recovery is to progress... 'the sense of security must be restored.'" Therefore, "the North Atlantic defense pact, backed by integration of the armed forces of Western European nations furnished with American armaments either as outright gift or on terms of lendlease, is a necessary corollary of the European Recovery Program."

Those who question this thesis, she continues, "raise two principal arguments. Some contend that the military program envisaged under the North Atlantic defense pact would have an effect exactly contrary to that desired by Washington, since the necessity of diverting existing economic resources to armaments would delay, and perhaps actually jeopardize fulfillment of the European Recovery Program, both by reducing the amount of American and Western European manpower and materials available for peacetime production, and by making it politically difficult to achieve the revival of East-West trade on the continent which was one of the basic

assumptions of the countries benefiting by the Marshall plan. Others, believe that it will prove impossible to restore the sense of security.... until Russian troops....are withdrawn from Germary and Austria, and therefore urge, astead, negotiations with the USSR for a general or at least partial settlement on the continent."

The State Department, Mrs. Dean says, answers the first of these arguments by giving economic recovery priority over rearmament. However, she points out, opponents of the pact contend that "the very process of rearmament will generate fears which still further rearmament will be needed to allay, creating a mounting spiral of expenditures in which military estimates will prevail over considerations of economic and social recovery."

No direct answer, she says, to the second argument— he need for a general settlement with the USSR—has been given by the State Department, "whose basic premise is that the activities of the Soviet Government since the war have endangered peace and prevented recovery,"

The factor that is counted on to provide American public support for the pact, Mrs. Dear writes, is that it safeguards the American "constitutional process" by keaving in the hands of Congress the power to declare war. "This very feature, however," she notes, "arouses the most serious objections on the part of the nations of Western Europe" who realize they are taking the risk of antagonizing Russia and want to be sure of automatic US action in return.

For Or Against UN?

NEXT comes the question of the United Nations. The State Department, Mrs. Dean says, maintains that the pact is in harmony with the UN by virtue of Articles 51 and 52 in the Charter. Article 51' provides that "Nothing... shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a Member of the United Nations, until the Security Council has taken the measures necessary to maintain international peace and security.' Article 52 says that "Nothing... precludes the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action. consistent with the Purposes and I rinciples of the United Nations." In this connection, Mrs. Dean recalls that the subject of regions arrangements came up at both the Dundarton Oaks and San Francisco conferences with regard to regional agreements

already in existence in the Western Hemisphere and the "problems that might arise if the former enemy states should resort to aggression during the transitional period before peace treaties had been concluded and responsibility for keeping the peace had been transferred to the United Nations Organization." Chapter VIII of the Charter was drafted with these problems in mind, she says, and contains article 52.

Mrs. Dean quotes "a distinguished international law expert, Hans Kelsen," as saying that Article 51 was intended to be "a provisional and temporary measure" to be used "until" the Security Council took appropriate action and "not as a substitute for it." Therefore, she says, it has been argued that any pact such as the Atlantic one should be "firmly and unmistakably subordinated to the authority of the Security Council." Otherwise, the veto power possessed by the US, Britain and France might conceivably be used "to prevent direct action by the Security Council."

"A second major objection to the North Atlantic pact," Mrs. Dean writes, "is raised by those who wonder how such a pact would affect the position of the colony - owning nations of Western Europe in their relations to the dependent peoples of Asia. Would the United States, it is asked, in underwriting the security and economic recovery of Western Europe, be expected also to underwrite the status quo in Indonesia, Indo-China, Malaya, and other colonial areas, whose present condition of unrest has a direct impact on the security and on the economies of Britain, France and the Netherlands? Will the nations of Western Europe be free to use the arms they may receive from the United States to subdue native uprisings?"

Closely related to this, she says, "is the question whether the security of nations can be defended solely by military means against external threats or external aggression, or whether the main problem some nations face is the possibility of internal upheavals...There is danger ...that the fear of instability and disorder understandably generated in the United States by the desire to see the ERP succeed within the time limit of four years set for it may cause some Americans to favor the maintenance of existing regimes and economic and social conditions, and to consider any attempt to alter the existing state of affairs as defiance of ERP. The intimate linking of ERP with rearmament might then conceivably induce the United States to permit the countries benefiting by American aid to use their armaments for the suppression of internal dis-

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What Chinese Papers Say



THE Army attack on students in Nanking and the formal opening of peace talks in Peiping were main topics of editorial comment in the

Chinese press. The signing of the Atlantic Pact in Washington also drew some comment.

Nanking Tragedy

N commenting on the Nanking Incident, the Chung Yang Jih Pac, official organ of the Kuomintang, advised the students to take into consideration the extreme gravity of the current situation and re-

frain from "making trouble."

"It is incumbent on the young students themselves to treasure the great sympathy which the public exhibits for them, and therefore to be constantly awake to the need of reviewing their own actions," the paper said. "Today the situation is too critical. On the one hand, the peace talks are being begun, but on the other hand, the Communist Army north of the Yangtze is steadily pointing its gun toward the

south and advancing by degrees. . . "Every one who looks forward to the realization of peace must, therefore, value the present pre-carious moment, and seek to promote real peace with a cool head, by differentiating right from wrong, and investigating carefully the various issues involved in the peace movement. Violent propaganda efforts which are only partial to the interests of one party and blind rabble-rousing can only confuse issues and mess up the main prob-Unnecessary demonstrations lems. can only give rise to unfavorable reaction from the people and do the cause of peace more harm than good. Young people are emotional and easily excited. Since the stu-dent movement of the past two or three years has produced unfavorable impressions and repercussions, the students should do some hard thinking and should increase their sense of self-awakening."

The Nanking incident sharply-worded editorial from the Communist New China News Agency. A summary of the editorial, as printed in several papers in Shang-

hai, is given below:
"The Nanking Student Tragedy of April 1 once more shows to the Chinese people that it is impossible to expect the Kuomintang war criminals to repent and lay down their arms. The Nanking tragedy tells the Chinese people once more that any attitude of leniency and protection in dealing with this group of war criminals will only mean that peace in China will not be realized. The Nanking tragedy further tells the Chinese people once more that if the Chinese people are

to fight for their existence, to fight for their freedom and to fight for peace, they must be determined to proceed thoroughly and completely with the task of wiping out this group of war criminals. The Nan-king tragedy makes it clear that the eight conditions for the realization of real peace, as brought up by Chairman Mao Tse-tung of the Central Committee of the Communist Party, and primarily the first condition for the punishment of war criminals, cannot permit of any re-

tragedy at such a time and at such a locality as it did cannot but lead us to question the Nanking Peace Delegation: Where is the 'peace' advocated by your Government? The fact is that the Nanking reactionary and traitorous government from which the Delegation comes has seriously violated the basic conditions of the peace negotia-

"Since Chairmar Mao Tse-tung of the Central Committee of the Communist Party on January 14 brought up the eight conditions for the realization of real and permanent peace, the Chinese People's Liberation Army has been patiently waiting for two and a half months. But the facts have now shown that this attitude of patient waiting has not changed in the least the attitude of the reactionary and traitorous Nanking Government. It has not made it lay down its weapon of slaughter. The group of assassins in Nanking have row used the Nanking have row used the Nanking have row used the Nanking throad th king tragedy as a challenge to the people of China and the People's Liberation Army. Yes, the Libera-Liberation Army. Yes, the Liberation Army will I berate the whole of China. The Liberation Army is now preparing to cross the Yang-tze, to mop up al assassins of the people. The time is not distant when the patriots who have been sacrificed in the Nanking and other tragedies will be revenged. The time is not distant when the Kingnan areas and the whole of China will be liberated."

Peace Talks

IN discussing the peace negotiations in Pciping, all Kuomintang-controlled papers joined in demand-ing that the Communists order an immediate cease-fire and suspend their war prepara ions.

The Chung Yang Jih Pao wrote:

". To promote peace it is necessary that a praceful atmosphere be cultivated. If the Communists are really sincere in seeking peace today, they should immediately suspend military operation, halt their propaganda offensive and cease all and cease all ties. The preunderground activities. sent peace talks affect the fate of the nation and the lives of the people, as well as the future of our

State. The people throughout the country unanimously demand that the peace talks must be successful and that failure cannot be rermitted. Violent propaganda outbursts will only obstruct same thinking and clear understanding, and lead to unfavorable reactions from the people."

The Shun Pao agreed: "If the peace talks are to succeed, mmediate suspension of all military operations should be the first prerecuisite.

But on the other hand the same papers asked the Government to strengthen its war preparations south of the Yangtze. The Chung Yang Jih Pao emphasized the importance of the defense of Yangtze, while the Ho Ping Jih Pao, generally regarded as mouthpiece of the Nationalist army, explained that making war preparations do not run

counter to talking peace.
"To be prepared for war and to attend actively to the defense of the Yangtze really do not conflict with the peace efforts," the paper said. "Instead, such measures will be helpful to the peace cause. obvious that once our defense of the Yangtze is successfully taken care of, the peace terms of the Communists will not be so harsh, and hopes for peace will grow. Moreover, if the Communists cannot cross the Yangtze, they cannot fight even if they want to, and they will have to cease hostilities even if they do not want to. As long as the Communists are prevented from crossing the Yangtze, the Government may continue to be on the defensive and not cross the river for a counteroffensive. In such a case, the war will automatically cease to exist, and peace will follow."

Atlantic Pact

N the occasion of the signing of the Atlantic Pact, the Ta Kung
Fluo called upon all peace-loving peace-loving people to strengthen their fight for safeguarding world peace.

"Basically, the Atlantic Pact discards the machiner of the United Nations and openly adopts a policy of military expansion," the paper said. "It must also be noticed that the foreign ministers of Europe, during their present visit to the United States to sign the Pact, are also taking the opportunity to discuss the measures for the fostering of Germany, the suspension of the dismantling of the war industry plants in Germany, and the removal of restrictions over Franco's Spain. At the same time, the United States is discussing measures for military aid to Europe. All these developments show that the threat of a new war is growingly imminent. All the people throughout the world who are opposed to war must awaken to the situation and rise to safeguard peace."

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What US Papers Say

THE current peace talk and the future of Christianity under Chinese communism was discussed in the US press. Other comment dealt with the recent cultural and scientific conference on world peace held in New York.

Christianity In China

THE Christian Science Monitor, in an editorial entitled "Christianity and Communism in Asia," said: "Since common ownership of property in the early Christian community broke down through the weight of human greed, Christians have recognized in varying degrees that their 'kingdom' was not of this world. It could be brought into world. It could be brought into human affairs only through individual regeneration and gradual social improvements following from more Christian lives.

"But social improvements have often been slow in coming. In Asia, for instance, the effects of Western exploitation have sometimes been more evident than the effects of Western Christianity. Even Christianity. tians of the East are asking whether a new social system may not be

necessary."

The Monitor then referred to a letter written by T. C. Chao, dean of the School of Religion at Yenching University and one of the six presidents of the World Council of Churches, which was published recently in the Christian Century. The Monitor says the letter "speaks of the rejoicing of Chinese Christian at being 'liberated' by the Communists from the Kuomin-tang regime" and quotes it as say-

ing:
"An unexpected thing has been the speed with which the Communists win and Kuomintang forces fall to pieces.
No thoughtful Christian in China
can regard this unexpected speed
without a deep sense of gratitude to God. Collapse of the Kuomintang armies means cessation of war, which is very much desired by all, while it causes Communists to reconsider their policies and to become

moderate.

'Religion will be indeed hated and despised, but also tolerated; and religion will be in need of a sort of reaceful persecution to emerge from cultus to reality. . . . To my mind, cultus to reality. . . To my mind, we Christians in China are facing a most creative period of witness-bearing. One is thrilled at the dangers and opportunities confronting

Christianity in mingled proportions."
The Monitor comments: "Christians in the West may not take so ebullient a view. The Christians in the Christians in the west may not take so ebullient a view. tianity which hopes to cooperate with dogmatic Communism may be in for sad disillusionment. But there is a tremendous challenge to Christians in this new Western ment. "For Communist successes do in-

deed call for 'a creative period of

witness-bearing.' Cl ristianity has spiritual substance- as Communism has only delusive hadow-of the justice, the security freedom of spirit for which the world's millions Let Christians increasingly translate into social action the love they are taught for the poor and dis-possessed of the earth and they will increasingly win those millions to their side.

"Asia is a great laboratory today. Western Christendom can hold out to it a real and practical hope for more abundant life. Here is the best answer to the Communist challenge and Christian confusion there."

Peace Talks



 $\begin{array}{cccc} \mathbf{T}^{\mathrm{HE}} & \textit{New} & \textit{York} \\ \textit{Times} & \mathrm{took} & \mathrm{a pessimistic} & \mathrm{view} & \mathrm{of} & \mathrm{the} \end{array}$ current peace talks in Peiping, voicing the opinion that, since

opinion that, since the Nationalists have no chance to come out on top, they should be called "capitulation" conferences. The paper said:

"There is little reason to be optimistic about the 'peace' conference that around in Chira haif. that opened in China April 1. If Nanking's delegates make an honest effort to reach a genuine compromise of differences they will fail. And the alternative is outrigh, surrender. Indeed, the preliminaries that led to the choice of the Nanking delegation, coupled with the daily insistence of the Communist North China radio that the only basis for discussion was 'the eight-poin program of Mao Tze-tung, invite the suggestion that 'peace' conference is a misnomer. 'Capitulation' conference

would be more accurate,
"The Nanking delegates were apparently under few flusions. They described themselves as at the edge of a bottomless abyss. E pessimistic was their that no insurmountable Even more assertion difficulties need be faced, if there were mutual confidence, mutual under-standing and mutual concessions.' Those delegates are all old enough and worldly wise enough to know that to speak of mutuality in con-fidence, understanding and concessions in respect to a conference with the Chinese, or any other, Communists, is to employ a contradiction in

"Repeatedly, the Communist radio has insisted that it has no confidence in Nanking, nothing but, contempt, rather than understanding, for Nan-king's leaders, and no disposition to make concessions, nutual or other-wise. Even after the standard diswise. Even after the standard discount for propagands is made, there is no reason to be hopeful that any 'mutuality' will be seen, except in the strictly Communist-version. And that version has been observed in some detail elsewhere.

have clamped down the curtain, of secrecy. It is a mistake to talk about 'censorship' in Com-munist China. There isn't a censorship, because there is nothing to censor. The press and the public will not be represented at any stage or in any degree in the negotiations. What the world finally learns about what happened will presumably be what the Chinese Communists think it ought to learn.

"These have been sorry days for the Republic of China. And few have been sorrier than that on which these Nanking delegates 'go before their conquerors and their judges to discuss the terms of their sentence." discuss the terms of their sentence."

Cultural Conference

HE Philadelphia Inquirer supported the State Department's assertion that the cultural and scientific conference for world peace held recently in New York was a "sounding board for Communist propaganda." The paper declared:

"Our thoughts—our efforts—are directed toward peace. But we have learned, and we must not forget, that while Russia's spokesmen shout about peace, they are jutting baleful pressure on Iran, looming threateningly over Finland and spying upon every free country on the globe. Americans should keep their minds free of needless fears about all this, preserve their strength and their will to defend themselves and make Russia's acts, not words, the only basis of judgment about what the Soviet Union really stands for.

The Christian Science Monitor expressed belief that the meeting only "confusion." caused The paper

"Perhaps only political innocents could have expected this sort of thing to promote peace. Americans can, by frank questioning of national policies, help to shape them toward peace. But similar criticisms from men who strain at gnats of Demo-cratic failings but swallow camels of totalitarian oppression are little likely to foster either reform or good

"This meeting sought to promote the kind of 'peace' desired by those who say: 'We must cooperate. It is just a matter of good will and tolerance.' But on that kind of peace we should have liked to hear from those who have been liquidated in countries taken over by Communists when America was 'cooperating.'

"This kind of performance makes for confusion. Where there is so little room for real dissent and where even non Communists are so concerned about Democracy's faults, some may be led to believe that America is preparing to attack Russia. But free discussion should clear the air. successes do inreative period of gury in the fact that Communists Politburo are so beforged or naive."

Approved For Release 2006/04/21: CIA-RDP83-00415R003000060007-4 We don't believe the men in the

The Review's English Lesson—LXXVII

MR. Al. L. Chen suggested that we discuss a Time Magazine story, from the March 7 issue, concerning President Truman, titled "Another Think Coming." Unfortunately, there is not enough space to reprint the whole story, so we shall try to explain some of the expressions used, as usual:

Another think coming: A slangy phrase used to describe someone who has guessed wrong, who anticipates something which will not happen; it is usually contemptuous. "If he thinks I'm going to wait all day, he's got another think coming."

Off-the-cuff: Extempore, as a speech.

Nostalgic: Homesick.

Smart-aleck: Smug, self-satisfied with own

cleverness; smarty.

Move on: This phrase can be used in two ways: the first, in its literal sense, to go on, forward, ahead; the second, to describe committee action or decision. It is not clear from the context as given ("And when it is time for them (members of my staff) to be moved on, I do the moving....") whether the meaning is to decide which persons are wanted on the staff, or to decide which are to be discharged (i.e., moved on somewhere else).

Blair House: A house near the White House, which is used to receive distinguished visitors; sometimes referred to as the "Little White

House."

Ineffectual gesture: A move or action that has no result; also, empty gesture. Sweeping the sea, or commanding the tides to stand still, are ineffectual gestures.

Cracking: (Also crackling), as used in "cracking over the telegraph wires," is an onomatopoetic word, describing the sound of the electric sparks.

Contrite: Showing sorrow or regret for having committed a fault: repentant.

Tentative: Of the nature of an experiment;

something offered provisionally.

The Word That Came to Dinner: This is a paraphrase of the title of a comedy that had a long and successful run in the United States. It describes the sufferings caused an innocent family by an irascible celebrity, who came to their home for dinner, slipped and injured himself and was forced to remain in the household until well enough to move. Thus, as used here, it indicates that the unpleasant phrase made such a stir that it could not be quietly forgotten.

Sedate: Quiet, calm, serene, serious, staid. Gamy: Highly-flavored; gamy language includes highly colored expressions which often are not admitted in so-called polite society. Also, "racy."

Clucked: Literally, made noises like a hen. Since the sounds sometimes made by a person in reprimanding a younger one, for example, are similar, anyone who "clucks" admonishes or chides. Thus, in "the papers clucked about it on Approved For Release 2006/04/21: CIA-RDP83-00415R0030000660007-4

their editorial pages," the image is of a flock of fussy old hens, being most upset at some action or statement, and reproving its author.

Cautious: To give cautious approval is to approve so carefully, with so many "ifs, ands and buts", that its force is weakened. In somewhat similar fashion, the phrase "damn with faint praise" means to approve so cautiously, and with so many reservations, that the effect is one of disapproval.

Showman: A producer of plays, operas, etc. As used in the story, the meaning is extended to refer to a columnist, considered by the writer to be interested only in attracting publicity.

Hardy: Bold, brave, resolute, confident, strong, firm, long-enduring. The "hardy expert" on the burning word" referred to, H. L. Mencken, has long been one of the most outspoken journalists in America.

Burning word: Here used to refer to profane expressions, insults, gamy language.

Complained, complains: In referring to a statement made in a book, either the present or the past tense would seem correct, depending upon whether the writer refers to the moment when the author set his words down (past tense), or the moment when the reader sees the same words (present tense).

Fudge: Nonsense, piffle, when used as an interjection; usually cited in derision, as being

Sis-boom-ah: A college football cheer in the US; hence, anything with sis-boom-ah has spirit, verve, enthusiasm, drive.

THE following sentence, with which Mr. Mencken is quoted as continuing his remarks upon the phrase that caused the uproar, we quote in full: "Put the second person pronoun and the adjective old in front of it and scarcely enough bounce is left in it to shake up an archdeacon." The phrase then becomes, "You old son of a bitch."

Bounce: Bouyancy, verve, drive, energy.

Shake up an archdeacon: Amaze or unsettle a church official who is next in rank below a bishop. In other words, Mr. Mencken says that the phrase, as amended, has little in it to amaze or shock, probably because it is often used jocularly.

Opprobrious: Attaching disgrace; as, an opprobrious epithet.

WE are asked to recommend some of the best magazines devoted to English Language and literature published in This is a difficult question to answer, since there are scholarly periodicals which deal with fine points of grammar and philology, there are good journals for a more general interest, written well, and there are journals, such as Time Magazine or the New Yorker which have developed a style of their own. Of the more general type, Hurper's and the Atlantic Monthly are among the best as far as the quality of the language is concerned. The Saturday Review of Literature is perhaps the best single source for anyone wishing to keep







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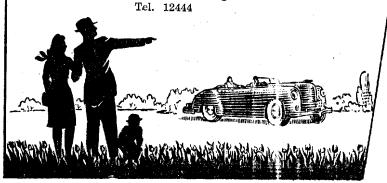
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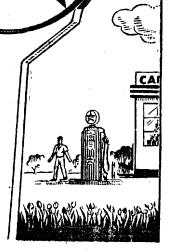
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April 16, 1949

BACKWARD AREAS

AN EDITORIAL

A West China Notebook

Lynn Chase and Amos Landman

Dead End In Asia

Andrew Roth

Siam: Cockpit Of Interests

H. C. K. Woddis

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AN EDITORIAL



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Editorial Paragraphs

Backward Areas

ETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

American Aid

To The Editor:

I have read the article "A Chinese View of American Aid" in the March 19 issue of the Review and strongly support the stand taken by Mr. C. Y. W. Meng. I should say it represents the views of millions of our people.

The US is failing in its policy to-ward China, and we oppose any military aid program "to prolong our civil war." As Mr. Meng pointed out, there are very few expressions of gratitude from the eaters of ECA rice, and Mr. Lapham's proposal for new aid to the "Nationalists"

proposal for new aid to the "Nationalists" was unanimously opposed by professors, peace-sponsors and even some legislators. During the past ten years China has been a semi-feudal country. As vivid as any picture is its personal regime, corrupt dictatorship and the misery of its people. We Chinese would only welcome American aid that would really help to bring about democracy, freedom, emulity and a new China. equality and a new China. Y. C. CHEN.

Taiwei, Taiwan April 4, 1949

Christian Writes

To The Editor:

To The Editor:

I am a Christian living in Wusih. I am also a Review reader. The article, "Christian Missions in China" in the April 2 Review helped me understand many things which have been puzzling me for a long time. But I wonder about the point that preachers are too much me for a long time. But I wonder about the point that preachers are too much in favor of maintaining the status quo and individualism, for in China today, in many small towns, the churches are not prosperous.

In my mind the whole problem of the relation between the churches and the revolution is full of contradictions and it is difficult to obtain a balanced view. I wonder if you could ask the author of this article to write something more on the problem, for I am certain that there are many Christians like myself who need help on how to be a Christian in the future.

ANDREW YUE

Wusih April 4, 1949

Supports Premier Ho

To The Editor:

I was very interested in reading your introduction to our new premier, Ho Ying-chin, in the March 26 issue of the

Review.

It was reported that General Ho, when the Young Marshal Chang Hsueh-liang kidnapped Chiang Kai-shek in 1936, wanted to bomb Sian where the Generalissimo was being held, but that he was dissuaded from doing so. I personally think Ho was blameless as far as this incident was concerned.

General Ho, it will be remembered has

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General Ho, it will be remembered, has always been against the Communists since he assumed the post of Minister of Military Affairs in 1930. The famous assault on the Capparoved from Rejease 2006/04/21 in Clark Page 250.

Shanghai's American Dailymore than "just a newspaper"

<u>≱анынын унандын индиктиктик индиктиктик индиктиктик индиктиктик индиктиктик индиктиктик инди</u>

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was ordered by him. He was later sent abroad when General George C. Marshall was attempting to mediate between the Nationalists and the Communists, for there was a feeling that Ho was blocking efforts to negotiate a peaceful settlement. ment. However, many people are convinced that General Ho underwent a change of heart while he was abroad. His speeches abroad were tinged with a slightly leftist coloring.

After his return to China, General Ho remained inactive for a period until the remained inactive for a period until the time came when he was asked by Acting President Li Tsung-jen to become premier. Immediately after General Ho's appointment, there was much talk about injecting new blood into the Nationalist Government. Although there has been much speculation as to whothere are the statement. much speculation as to whether or not he could successfully open peace talks with the Communists, I still trust and support him fully and believe that under his guidance the peace-loving cabinet will negotiate a conclusion to the Civil War.

WONG SZE-LIANG

April 2, 1949

No More Surrenders

To The Editor:

We remember that after our victory over Japan, General Ho Ying-Chin was sent to represent China at the surrender for which he received considerable prestige from the people and received attention from the world.

Now when cries of "Prepare for war if you want peace" are bandled about, General Ho has formed a new cahinet.

General Ho has formed a new cabinet.

It is hard to tell what General Ho will do but it does not seem likely that he will be receiving any more surrenders.

BUTCHER CHIA

Shouyung, Hunan March 27, 1949

Foreign Postage

To The Editor:

With reference to the letter from Mr. Loo Shih-cheng published in the March 26 issue of your esteemed Review under the caption "Foreign Postage," I have to inform you that the tariff of International Postage is based upon the rates stipulated in the Universal Postal Convention, and the foreign airmail postage is fixed according to the transit charges paid to the Aviation companies by the Post Office. As both are calculated on a foreign currency basis, the postage rates on foreign mail are collected in Gold Yuan converted according to the rates of the Foreign Exchange Clearance Certificates, published in the daily newspapers. Owing to the frequent fluctuations of such rates, the Post Office is compelled to adjust its tariff of International postage in order to avoid undue losses sustained by it.

I shall appreciate it if you will kindly publish this letter in your esteemed journal for the information of Mr. Loo Shih-cheng as well as the public in general.

general.

WANG YU-KUANG Director of Posts

Shanghai April 9, 1949

Students Sympathize

To The Editor:

To The Editor:

It was a sad surprise to read about the incident involving the injured students in Nanking. According to the Ta Kung Pao, the fight started when the demonstrating students staged the famous "Yangko" dance in the streets, infuriating idle Nationalist soldiers with TATO AND CARD ATTACK.

Although no CARD ATTACK. Although no

casualties were reported among the soldiers, a number of students were indiers, a number of students jured, and at least one killed.

What kind of democracy is this that the Government talks about? By what law was the demonstration forbidden? Yes, the martial law signed by the Government does not permit demonstrations, but is this law right? Incidents like the above have the sympathy of the entire student body of China. of the entire student body of China.

. K. K. C.

Soochow April 5, 1949

Words And Deeds

To The Editor:

The Nanking student incident shows that realization of the word democracy is very different from just saying it. On the surface, acting President Li Tsung-jen makes efforts to stop the Civil War, but the Government is still killing peace loving students with its secret fifth column. It is high time that the Government revealed that it is using the peace talks as a mask unless it accepts Mao Tze-tung's eight terms.

Y. Y. T.

Chinkiang, Kiangsu April 4, 1949

Anti-Christianism

To The Editor:

Following the Nanking student inci-dent, there has been a sharp conflict between the Christian and non-Christian students at National Central University.

The latter accuse the former of taking a cold attitude toward the incident.

As a result, the "Democracy Wall" at the university is covered with a number of anti-religious slogans. Although I of anti-religious slogans. Although I am not a Christian, I should like to report some of them to your Christian

readers. Here are a few:
What is the Holy Spirit? It is the symbol of selfishness.

God is the other name of backward-

Could your God give us bread and peace? What nonsense-God created man! It

is man who created God. We do not want God. We 'want

science and democracy.
You Christians believe in the existence of God, but we don't. How can you be of God, but we don't. How can you be called men, since you lack a sense of justice and sympathetic hearts, living on others' blood and sweat, fooling the oppressed masses with poisonous docothers proof and swear, to compressed masses with poisonous doctrines, asking favors of the ruling masters and helping the reactionary Government to suppress the revolution of the people? The religious period is gone. This is the time of the people!

Y. C. LI.

Nanking April 9, 1949

Peace Talks

To The Editor:

In connection with the peace talks I would like to make the following proposal to the Government and the Communists:

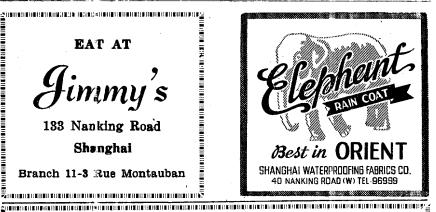
While war can break out at any time when two contesting parties or one agree to wage war, peace is different. The differences between men and nations will always remain. As a matter of fact, always remain. As a matter of fact, within reasonable limits, such disagreements are actually wholesome. All progress begins with differences of opinion and moves forward as the differences are adjusted through reason and mutual understanding. Peace is, therefore, a mutual agreement Approved For Release 2006/04/21 GLARDES 3-004/15R0030000660007-4 municipal mutual agreement Approved For Release 2006/04/21 GLARDES 3-004/15R0030000660007-4 municipal mutual mutual agreement Approved For Release 2006/04/21 GLARDES 3-004/15R0030000660007-4 municipal mutual mut

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fully and sincerely adhered to by the two parties concerned. Such agreement must depend upon the mutual efforts directed by the parties towards the con-clusion of a peaceful arrangement for that purpose.

Many years of war have drained the life of the nation. We want the KMT and the CP to negotiate and explore all means to bring peace to China. The means to bring peace to China. The great task of keeping the country in a state of peace and order and leading the country towards modernization is on the shoulders of both parties.

Both the Government and the munists should remember the Chinese sayings: "The people are the foundation of the country" and "Those who obey the opinions of the people will succeed and those who do not, will fail."

JAMES CHIA

Soochow April 2, 1949

Chen Yi Detention

To The Editor:

The following is my translation of an article carried in the *Hunan Daily News* of March 17th, entitled, "Why Chen Yi was Detained":

"Though the reasons for Chen Yi's being dismissed from his post as Governor of Chekiang Province are many, the main one is that he has lost the confidence of President Chiang Kai-shek, Ever since last winter when Tsinan fell into the hands of the Communists and an investigation was made as to why an investigation was made as to why it fell, Chen has been in Chiang's bad graces. After General Wang Yao-wu was taken prisoner, some of the legislators in Nanking...went so far as to demand that President Chiang step down, as the fault was his. Chen Yi was called to Nanking and questioned, and among

other questions put to him, Chiang Kaishek, to test his loyally, asked him what he thought of the legislators' demand. Chen Yi answered, 'A statesman's merit or demerit will be judged by future historians. It is better for him to be frank and straight in all his dealings."

"This caused Chiang Kai-shek much displeasure.

"When the Communists issued their first list of war criminals, Chen, replying to newsmen of Hangchow who asked this opinion, said: '....what do you think should come first in our considerations, the lives and property of the 43 war criminals, or the welfare of the 470,000,000 lao pai hing?'

"Again, when asked if the capital of Chekiang would be moved, he countered with, 'Why move it?' Where are we going to move it?'

"When Chiang heard these two conwhen Unlarg heard these two conversations, he was our aged. At the time when peace was being sought through making preparations for war, Chiang thought, it was impossible that Chen, one of the big shots in the Government, should have been so stupid as not to know what effect his abourd remarks would create. Probably he had some ondered. create. Probably he had some ends of his own; he was no longer reliable.

"Not long after, when Chiang had stepped down and La Tsung-jen had become the acting president, the latter issued an order to release all political prisued an order to release all political prisoners, with a view to showing his sincerity toward peace. Again Chen Yi took the order seriously, and bailed out five arrested students of Chekiang University. When Chen Yi went to Chikow to see President Chang, Chiang asked, 'Do you know something of the arrogance of the Che Ta boys' and Chen replied, 'Yes, I know of it.' Why didn't you do something about it, hen?' Chiang questioned, 'The more you meddle in their affairs, I am afraid, the more they will become troublesome,' Chen said. don't meddle, do you think they will cease to make trouble?" asked Chiang. 'At least, I have succeeded in avoiding serious troubles during my tenure of office so far,' Chen Yi replied,

"As the conversation went on, President Chiang's temper grew shorter, until at last he could no longer control himself. He struck his hand on the table, roaring, 'Obey me, and you shall keep your post; or else, pack up and get away with you.'

"When Chen Yi told his friends of

this unhappy scene afterwards, he was all grumbles. 'It is better for me to get away now,' he said. 'If I try to hang on any longer, maybe there will be no chance in the future for me to get away

"Another thing worth mentioning here the disagreement between Chen Yi and King Yung-hsiang, Manager of the Central Bank in Hangchow and concurrently Chairman of the Board of Directors of the Hangchow Chamber of Com-The story is this: Some of the merce. The story is this: Some of the merchants of Hangchow, in order to evade taxes, had often made false reports of their capital. When Jon Hsien-chun became the mayor of that city, he was greatly dissatisfied with this condition. He sent his men frequently to make investigations of the various shops. King wanted to 'protect' his fellow businessmen and therefore came into direct conflict with Mayor Jen. When Chen heard of this, he called King to him, scolded him severely, and deprived him of the title of Chairman of the Board of Directors of the Hangchow Chamber of Commerce.

Having been insulted thus, King went to his boss, a certain big shot, to complain. The big shot, greatly offended with Chen for having ill-treated his henchman, went immediately to see President Chiang. By speaking evil of Chen in every way he could, he succeed-

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ed in rousing Chiang's rage to such an ed in rousing Chiang's rage to such an extent that the president decided to dismiss Chen Yi at once, without even bothering to consult with his most trusted subordinates. So Chen was unaware of his having been dismissed until Chow Yen's appointment as the new governor, of Chekiang was made public.

"After Chen had been dismissed, President Chiang still felt uneasy. His suspicion pained him so much that at last he ordered Chen Yi to be detained. According to some Shanghai papers, Chen Yi was sent to Chuchow, his place of detainment, by a certain general. He is now leading a secluded life there."

P. T. JEN'

Hengshan, Hunan March 19, 1949

Will Share Review

To The Editor:

To The Editor:
Ever since the unfreezing of the August 19 price levels, commodity prices have been soaring day by day so furiously that they are beyond our reach and the result is that the living standard of the common people has descended to a record low. Both school-teachers and students, with their salaries and subsidies lagging far behind, are unable to find a way to keep body and soul together, let alone subscribe to magazines and newspapers. and newspapers.

In spite of being a subscriber to your magazine for only three months, I find in your readers' columns many requests for free subscriptions. These seem to be usually either from underpaid schoolteachers or poverty-stricken students for whom these days even textbooks are luxuries. However, these people are fond of the straight views published in your magazine, and their ardent desire for the truth prompts their appeals for your help.

I am extremely sympathetic with these am extremely sympathetic with these people and with a view to helping them to some extent, I have decided to share my Review. Would you, dear editor, introduce me to one of these friends? If possible, I will send him my copy every week as soon as I have finished it and he may return it to me after he her he may return it to me after he has

K. C. LIANG

I-chun, Kiangsi March 27, 1949

(Reader Liang will be put in touch with one of the persons on our waiting list for free copies—Editor.)

Canton Strike

To The Editor:

One hundred seventy-six professors at National Sun Yat-sen University went on strike on March 25 to demand an improvement in their living conditions. This is the first time that any professors in Canton have struck singe VJ Day. In this respect, I believe Canton's professors have been more patient than those in Peiping and Shanghai, who have more Peiping and Shanghai, who have more than once used the strike weapon to protest against irregularities. But things have reached such a pass that even the Canton professors could endure their sufferings no longer ferings no longer.

In an open letter to the public, these professors disclosed that they had repeatedly appealed to the various authorities concerned. Under present inflationary conditions, their monthly salary, the equivalent of HK\$30, is hardly sufficient to support one person, let alone an entire family.

I was deeply moved to learn that the students are doing a great deal to show their sympathy for their professors. They

2,000 catties of rice to be contributed gathering firewood, carrying water and doing other odd jobs to help the teachers. Such acts of genuine sympathy present a sharp contrast to the Government. ment's apathy.

H. K.

Hoiping, Kwangtung March 31, 1949

Why No Reporters?

To The Editor:

According to the newspapers, the Communists have refused to let either Chinese or foreign reporters be present at the peace talks in Peiping.

the peace talks in Peiping.

My opinion is that the main reason for this must be that the Communists don't want to have the conditions in Peiping made known to persons on the outside. In that case, I can't but doubt the administration of the so-called liberated areas. B Peiping is as good as the Communists say, why don't they welcome reporters there?

H. P. TIEN.

First Army, Sian April 2, 1949

News From Peiping

Recently, my sister, who is in Peiping, wrote me saying, "Peiping has fallen into the hands of the Communists. Many beautiful buildings are empty. The former officials of Peiping have made their way to Hongkong and Canton, a few even going as far as America. The people left in Peiping, except for a few, are as poor as church mice. Of course, there is no need for them to escape and most of them have shown no sign that they have any intention of leaving Peiping."

My sister reported further that prices are no longer skyrocketing, and, indeed, that prices have been forced down on various commodities by the Communists. All youth of school age are able to re-All youth of school age are able to receive a free education and daily necessities are provided for them. Such news surprises me very much. I have never heard of such a thing in China since I was born. I would rather study in Peiping than in Szechuen, where we have to pay thousands of GY to stay in school.

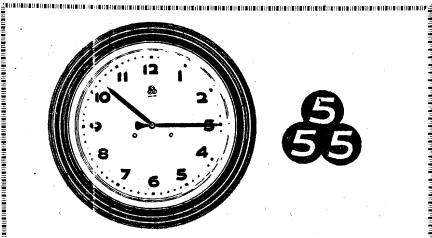
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Tzeliutsing, Szechuen March 31, 1949

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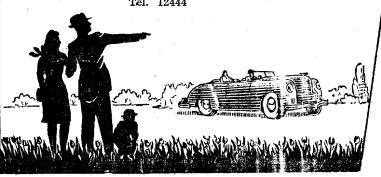
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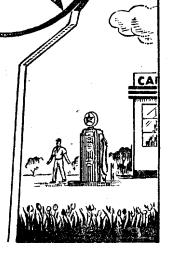
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The editorial pages present each week the opinions of the editor. The other pages of The China Weekly Review are written by the other members of the staff and the contributing editors who report and interpret the news irrespective of the views expressed in the editorials.

Vol. 113 Shanghai, Saturday, April 16, 1949 No.

. Backward Areas

As we have mentioned in these columns before, the problem of the "backward areas" has been coming up for more attention recently in Western capitals. In Paris, for example, sudden concern is felt for the pitiable economic state of Indo-China and other French colonial possessions. London, likewise, is worried about the lack of development in the African territories controlled by Great Britain.

All of this concern would be more touching were it not for the fact that it is such a recent development. In days past, when all one had to worry about were the recurring economic depressions and occasional wars between the various colonial powers, little attention was paid to development of "backward" areas. Such regions were usually prevented from attaining any worth while degree of industrial or other economic development so that they would fit easily into the old pattern of colonial exploitation for the benefit of the home economy.

One does not have to be a devotee of Marxism to understand the role the subject colonies played in the development of trade and industry among the leading capitalist countries of Europe. Capitalism, as we know it today, got its beginnings in the industrial revolution. After industrialization had reached a certain degree, the factory owners of Europe found that they must develop markets abroad in which they could sell finished products if they wanted their business to expand and prosper. In brief, they came up against the problem of an oversupply for the home market because of the low purchasing power of the people. Unless new markets abroad were found, a depression at home resulted.

Realization of this simple economic fact led to the great rush for colonies. After all available areas had been grabbed by the competing powers, it was inevitable that they would fight among themselves in an effort to secure some of the other nations' colonial holdings. These were the reasons behind the scramble for colonies, not, as was so often proclaimed, a high-minded desire to bring Christianity or public health to unenlightened natives.

Since colonies were to serve the function of export market for finished products and source of supply for industrial raw materials or food, it was obvious that the Western powers were not interested in developing these backward areas. The American Revolution started largely because the colonialists knew full well that they were getting a raw deal from their masters in England. It was common practice for colonial powers to pass laws forbidding the erection of factories in colonies. Actually, the ruling nations were not only unconcerned about the lack of development in colonial areas, but did everything within their power to prevent any such development.

When the limits of the market had been reached in colonial areas, the old problem of oversupply again became apparent and depressions continued. In recent years, a new development in the relationship between colonies and the ruling powers took place. Many European businessmen found that if they moved part of their industrial establishment to a colonial area, they could earn a profit even during depression years because of the small operation costs. In this way, China, a semi-colonial country, became the field for considerable foreign investment. Thus Shanghai, which lacks many of the requirements for a large textile industry, became a major textile center anyway. If English mills, especially during depression years when the market experienced a great shrinkage, could not sell their products in India or China because the materials cost too much, it still was possible for mills owned by Englishmen—but established in Shanghai where labor was practically free—to operate at a profit.

Thus many English mill owners found themselves on the horns of a dilemma. They wanted the manufacturing process conducted in England so that the latter country could reap the reward for the labor, but at the same time they found that frequently they could do better financially if they established their mills in the backward areas.

The immediate result of the establishment of foreign-owned factories in backward areas was to open the eyes of the wealthy natives who desired to follow the lead of the westerners. In China, there developed a small industrial class of Chinese who opened factories to compete with English, American, German, and Japanese outfits. The foreign powers attempted to throttle this competition by placing obstacles in the way of the native industrialists. This was accomplished largely via the unequal treaties which exempted foreign business in China from Chinese control. Chinese industrialists, meanwhile, always at the mercy of local gangsterism and passing warlords, found it extremely difficult to compete. In the colonies, the foreign powers usually nipped native competition in the bud by simply forbidding the establishment of extensive industrial works by natives.

so often proclaimed, a high-minded desire to bring Christianity or public health to unenlightened natives.

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However, once again a new development has risen to upset the old balance. Revolution has broken out in the backward areas of Asia. All

such movements have a strong nationalistic flavor. but some are also developing along class lines. In semi-colonial, semi-feudalistic China a Communist rebellion has succeeded to the extent of forcing a corruption-ridden and wholly inefficient nationalist regime to sue for peace. In Indo-China a revolutionary coalition front composed of nationalists and communists has about kicked the French overlords out of the country. In Indonesia, a pure nationalist movement—having split with and suppressed its communist supporters—is carrying on the struggle. In Malaya, a Communist-flavored revolt is in full swing, while in Burma, which, like China, might be called semi-colonial, the nationalists and communists, plus an autonomous-minded minority group, are engaged in a three ring circus.

Perhaps this new development is more easily understood in China. Here, the native group which originally opposed the foreign powers who sold manufactured goods and bought raw materials is now attempting to enlist the support of these very same foreigners in the internal class struggle. So long as the Chinese Communists were a force scarcely to be reckoned with, the native nationalists fought the foreign imperialists. Attacks upon the unequal treaties were constant. However, now that the Communists have succeeded in rallying the oppressed peasantry and are on the point of driving out the nationalists or at least getting them under control, the latter are turning to their old enemies and requesting support.

As things have turned out, it is not the principal colonial powers whose aid is being sought, but that of the United States. This is merely because the leading colonial powers, Britain, France, and Germany, have fought among themselves so extensively that they are no longer in a position to give aid. The United States, although not a colonial power in the strict sense of the word, does operate pretty much upon the same economic principles as the European colonial powers and therefore reacts similarly when it sees a market in process of being eliminated or controlled by its own inhabitants to such an extent that "free" or privileged trade is no longer possible.

WITH this background on relations between the "developed" and "undeveloped" countries of the world, it is particularly interesting to read the press agency stories from London, Paris, Washington, and other capitals of the "developed" world telling of the great concern that is felt for the inhabitants of the backward areas.

Aside from a plaintive wail or two from Paris where the ruling group would like to have Indo-China considered a backward area in need of development, providing, of course, that the money comes from America or some place other than France, the concensus seems to be that Africa is the main undeveloped area in need of economic aid. Perhaps the reason is that the vanced politically and therefore may be exploitable for a while longer than other colonial areas where the natives, although living in undeveloped physical surroundings, have become entirely too well developed politically.

All this talk of development, it seems, stems from the late President Roosevelt who had an ambitious and praiseworthy scheme for improving the economic status of all backward areas and for moving populations around so as to relieve pressure on some areas and provide sufficient manpower for development of sparsely populated areas. However, it now seems that Roosevelt's plan is to be dusted off so that it can complement the Truman Doctine, the Marshall Plan, and the Atlantic Pact. The present idea is to use American money, materials, and know-how in an effort to expedite the exploitation of Africa in the interests of the European colonial powers with whom the US wishes to align herself for the next war.

If left to her own devices, the US might rush in without due consideration and upset the apple cart. At least that seems to be the opinion in London. The British, who are nobody's fools, have learned a lesson in Asia where a rich empire is slowly slipping out of their grasp. While they want Africa developed so that a substitute source of revenue may be secured, they do not wish to do anything which might cause the Africans to begin thinking along the same lines as their Asiatic counterparts.

A recent Associated Press dispatch from London sheds interesting light on this point:

"A political planner in the colonial office believes Britain probably will have to let go its East African colonies within 25 or 30 years, even in the best circumstances. The same thing, he believes, will happen even sooner on the West African Gold Coast, where political riots have already taken place. This same attitude is reflected in the colonial section of Britain's new four-year plan for recovery submitted to the organization for European economic cooperation.

"If investment is 'pushed too far or too fast,' the plan statement said, 'it would give rise to conditions that have the gravest consequences to social welfare and stability.' In short, there are agitators who could profit from inciting Africans with talk of 'exploitation by capitalist imperialists.' If development schemes are carried out in a way to make this seem partly logical to the workmen, riots and rebellion are likely to wreck the best laid plans."

There it is in a nutshell. Faced with the combined threat of a loss of revenue from straight exploitation of Asiatic colonies and the closure, of normal markets by an embittered native populace, the European powers, whose whole way of life at home is built upon the colonial system, are both anxious and scared to develop new markets in Africa. With the lesson learned in Asia behind them they are conscious that economic development inevitably leads to loss of "dark" continent is considered the least ad CIA-RDP83-00413R003000060007 the natives, and

thus are fearful lest such development result in an early loss of these last colonies in Africa.

The colonial powers, refusing to see the handwriting upon the wall which tells them in unmistakable terms that the days of colonialism are over, are rapidly becoming enmeshed in more and more economic contradictions. Weakened by wars among themselves and loss of revenue from Asiatic colonies, they are too poor to undertake development of the world's last available colonial region over which they exercise physical control. They have turned to America for aid, offering to split the profits if Uncle Sam will supply the necessary tools for exploitation. It will be interesting to see if the United States is really foolish enough to finance this last hopeless adventure of governments whose thinking has not changed for the past two centuries.

The Democratic Life

Seventy-year-old Yang Ju Sam, first Korean Methodist bishop, was arrested last night by a special police force for allegedly collaborating with the Japanese...... Arrest of Yang (a YMCA director in Seoul) was interpreted here as indication of a behind the scenes political tug-of-war being waged between President Rhee and a group of national assembly delegates who are in control of a special police The special police force, informed observers here believe, is a political tool to throttle opposition... United Press dispatch from Seoul, Korea, on March 29.

Yang can at least take comfort in the fact that he is living in Southern Korea, a democracy endorsed by the United States, and not in Northern Korea, a Moscow-dominated concentration camp where the people's freedoms are ruthlessly suppressed.

Reds Drive For Production

THE Chinese Communists, according to their radio broadcasts, are currently engaged in an all-out drive to increase production in all lines. A propaganda campaign designed to impress upon individual workers and peasants the great need for more materials has been launched. It is explained that the country needs more food, more consumer goods, more capital products and that these things can be secured only through increased effort. Every opportunity is used to impress upon the individuals that since they are now working for themselves, they should work harder.

Aside from appeals to patriotism, many concrete measures designed to increase production have been adopted. A labor emulation campaign has been inaugurated. Workers are told of the fine work done in such and such a factory or rural district and asked to enter into competition in an effort to set a new production mark. Contests between individual workers in the same organization are mapped out, with prizes for the winners. In addition to these devices, a very basic inducement has been offered-higher pay. Workers are told that their income will go up correspondingly with all production they achieve above a certain norm.

Encouragement is given to those who think of methods to improve techniques which result in increased production or in labor saving. In some areas workshops or laboratories have been set up for the Approved For Release 2008/04/21 : CIAIRDF83 200445R0030000800007-4

tools. Numerous new farm and factory implements, it is said, have already been developed.

It, is, of course, far too early to be able to judge the success of this program or even to make an estimate of how much production can be increased or what such an increase would mean to the national economy. However, it is possible to see the basic common sense behind the whole campaign. China is a very poor and undeveloped country and if she is to make any great steps toward increasing her wealth and thereby raising the overall standard of living, it must come from the hard work of the Chinese people.

It is true that the mere ending of the Civil War will result in vast improvement. The demobilization of soldiers and their return to productive work, the elimination of the "exploiter class," especially from rural areas, inauguration of efficient and honest government, development of a sound system of taxation, and so on will result in a vast improvement.

How great these advances will be it difficult to tell with any exactitude, but is possible to get an estimate of the extent to which China's economy has slipped in recent years. According to Dr. Ou Pao-san, of the Academia Sinica, China's national income has been falling year by year since 1936. His estimate puts China's national income in 1946 at 25 percent below the 1936 figure. This is a sizeable drop, especially when one considers that the national income was rising steadily in the years immediately preceding the outbreak of the Sino-Japanese War. Presumably, China has not only sustained an actual 25 percent drop in income during the decade 1936-46, but has lost even more if one were to presume that during this period income might have been increasing yearly had it not been for the war with Japan and the Civil War which followed.

"normalcy" Once the return to following the end of fighting, percentage-wise increase of national income will' be a slow affair considering that China must start very nearly from scratch. However, if the Communists are able to keep up the spirit of the people, through measures such as those mentioned in the foregoing, there is no reason why the country cannot develop an ever-expanding income which, barring future setbacks such as wars or other national calamities, can theoretically reach a stage where everyone's legitimate wants and needs can be met.

If the Communists are able to carry out such a program, they will have succeeded in doing something which no other Chinese government has been able to accomplish, or, for that matter, even to contemplate.

An UNRRA Ghost

THE Board of Trustees for Rehabilitation Affairs (BOTRA), a post-UNRRA organization set up to supervise the liquidation of certain unused supplies which UNRRA willed to China before its demise, has lodged a protest with the Executive Yuan over the requisitioning of these

Such arbitrary action, BOTRA pointed out, is in direct contravention of the agreement signed between the Chinese Government and the United Nations which specified that no relief and rehabilitation supplies granted China by UNRRA were to be used for military purposes. According to the BOTRA protest, Nationalist troops in recent weeks have been helping themselves to the organization's stockpiles. Some one and a half million board feet of lumber have been confiscated. An additional 450,000 cubic feet of sand and 797,300 cubic feet of stone have been carted off by local troops. Besides constituting a violation of the Chinese Government's treaty obligations, the loss is, BOTRA alleges, crippling some of its programs. The lumber, for example, had already been allotted to the Fisheries Rehabilitation Administration for junk building.

It is, of course, always discouraging to see materials designed for productive purposes swallowed and digested-apparently without any observable benefits whatsoever-by the Government's roving hordes of soldiery. However, in this specific case there is a certain ironical touch. For three years the Chinese people have been waiting for BOTRA to start disgorging some materials. Now, it seems, these materials are finally being put to some use, even though it may be non-productive. Perhaps we are being a little unfair to BOTRA since its dismal record has been in part the result of circumstances beyond its control. The whole Fisheries Rehabilitation Administration fiasco, we understand, is almost entirely attributable to the selfish interests of the local fish market and fish guild, which have a powerful local protector whose authority apparently cannot be successfully challenged. Shanghailanders have been forced to go without fish or buy them at outrageous prices because the market and guild prefer to operate in an economy of scarcity.

A combination of factors consisting of opposition from various vested interest groups, such as the fish guild in Shanghai, corrupt rural magistrates who demanded their "squeeze" from rural improvement programs, landlords who resented any imported ideas or materials which might tend to upset the old feudal relationship between master and servant, and an astounding inability to function efficiently as an organization have made BOTRA much more of a failure than a success.

Now that it is reported that Chinese troops are appropriating materials, many of which have lain in the weather for the past three years because of BOTRA's inability to put them to use, the final curtain may be rung down on BOTRA, as it was on UNRRA, which wound up its affairs and ceased existence just recently in New York. In any event, it is hardly likely that the Communists or the new coalition regime will be willing to support any of the bureaucratic left-overs, although it is likely that going concerns such as the National Agricultural Engineering Corporation will continue and possibly will receive even more encouragement than in the past.

Approved For Release 2006/04/21:

25 Years Ago in The China Weekly Review

April 12, 1924

Any Hope For Szechuen?

There is at least one measure of comfort for us as we look out upon the unfolding of the perennial flower of hope. There has been so little to justify hope, and the flower has been so often rudely blighted, that even if we are doomed again to disappointment, no one will lose very much sleep as a result of the nerve strain we have endured during the past five years with the anxiety we felt during the Great Revolution, at which time there was no fighting compared with what we now expect. We cannot but smile at the philosophic manner in which we now hear of "wars and rumors of war."

So we may as well play at the game of hope instead of indulging in an evening's "pleasure" over majongg which pastime might meet with the wrath of the Chief of Police who still needs funds. Whenever we order a consignment of goods from Shanghai, or even Chungking, it is as good as a game of chance, for the exhilaration in watching the slow progress of the native junks as they crawl slowly by the "perils" by water—perils by robbers—perils by the countrymen cannot be beaten by a good horse race.

Everyone plays it. Some put all their stake on the black. The Gloomy Dean has nothing on them. If a soldier walks across the street in broad daylight there is going to be a bombardment of the city within an hour! If the newspapers mention that one of the "enemy" is making overtures of peace it only means that the said "enemy" is about to attack. Chungking has been taken away from Liu Tsen Hou at least three times since the tide there turned in favor of the North. But still he seems to remain there. No one blames them—the outlook for so many years has been so gloomy that their glasses are all smoked.

Actresses Organize

The actresses in Canton have organized a union. Among their proposed activities will be the issuance of a weekly paper to promote their interests.

10 Years Ago In The China Weekly Review

April 15, 1939.

Japan's Anti-British Campaign

Showing the widespread and organized character of the agitation against Britain and British interests in China which the Japanese have lately been conducting in this country through the medium of their puppet governments and local administrations, posters of an anti-British nature were discovered last week posted on walls in the western part of the Shanghai International Settlement, which is adjacent to the territory administered by the Japanese-controlled City Government of Greater Shanghai.....

China—World Power

Evans Fordyce Carlson, writing on "The Unorthodox War Continues," said in part:

"When and if Japan commences the withdrawal of her troops toward the seacoast, as the result of the realization of these objectives by the Chinese, the latter will initiate the final or Chinese counter-offensive phase. China's main striking force has never been destroyed and stands ready to execute the final coup de main when the time is ripe.

"A nation can never be conquered so long as the people possess the will to resist. China still has that will. Both leaders and followers now have everything to gain and nothing to lose by continuing to resist. Moreover, this conflict has forced on China a social revolution which is progressive with an effectiveness which, under normal conditions, could not have been attained within another century.... The Giant stirs,

Approved For Release 2006/04/21: CIA-RDP83-00415R0030006000724 great world power."

Dead End In Asia For The West

Andrew Roth

THE Western Powers are like a group of "Dead End Kids" in Asia. Their policies have brought them to a dead end. They scarcely seem to realize the impasse exists, much less know any exit therefrom.

The West knows it has suffered serious defeats. Recent Communist victories have so tipped the balance in Asia that they may well be among the leading reasons for the recent Soviet peace offensive. The Communist military and political victories in China make it virtually certain that all 450,000,000 Chinese will be under a Communist-led Government before the end of this year. In the elections in American-run Japan the Communists have boosted the number of their seats in Parliament from four to 36. The American-supported South Korean and Philippine governments are uneasy as sporadic Communist uprisings break out in various areas. In Viet Nam a Communist-led nationalist coalition harasses the few beachheads still retained by the French. In Burma and Malaya the governments find it difficult to extirpate insurgent Communist bands which began their uprisings last spring. In Indonesia the Dutch attack has precipitated guerilla movement which seems likely to come increasingly under Com-munist influence. All of these Communist movements, of course, have considerable encouragement taken from developments in China.

While the Western powers are conscious of their setbacks, there does not seem to be any general realization that they are, to a very considerable degree, in a blind alley. Thus, many American military and political strategists feel that they can make up for American setbacks in China by allowing the conservative business elements in Japan to achieve enough of a comeback to make Japan an effective ally against the Communist-dominated mainland. By leaning toward the Japanese businessmen, however, the American authorities have helped push Japanese labor toward the Communists. In addition this policy has aroused the active fears of those countries formerly under the Japanese heel. In China. \mathbf{for} r example, reports of rebuilding Japan have America's been one of the most compelling factors pushing the intellectuals and even some industrialists-both of them strongly anti-Japanese—into the arms of the Communists.

Britain in Malaya is also threshing around in a dead end. Although upwards of 40,000 police and are harassing less than 5,000 predominantly-Chinese Communist surgents, the rate at which the Communists are being rooted out is very low. In order to cut down the amount of support these guerillas are receiving, the British feel themselves compelled to root out large Agung is a brilliant voing opinity to extricate itself.

porting some of them. This arouses the antagonism of much of the Chinese community which comprises over two-fifths of Malay's population, Furthermore, since virtually only the Malays volunteer in any numbers for the police and military forces suppressing the threat to Britain's position, the British government is hard put to resist demands by Malay leaders for special privileges for them. These privileges are certain to be resented by the Chinese. Britain feels compelled to act energetically in Malaya because its exports of rubber and tin produce over one quarter of Britain's dollar credits. But in fighting to preserve this "dolarsenal", impoverished Britain has been compelled to make sapping police and military expenditures.

By its December attack on the Indonesian Republic, Holland plunged headlong along a route in which complete victory seems barred by the wall of Indonesian resentment and resistance and the only alternative now is complete withdrawal. Until December there always existed the possibility of a settlement which would enable Holland to retain its privileged economic position for probably at least a generation. Holland is a trading nation which has kept its comparatively high living standards by serving as an entrepot for Germany and by exporting Indonesian products to the United States and using the proceeds to finance its own imports as well as goods for sale to Indonesia. Although the Indonesians were not willing to permit Holland to retain its prewar monopoly position, they were willing to allow it a privileged position in exchange for political independence which they reckoned as more important. Many Indonesian nationalists have feared that complete economic independence would put Indonesia under the economic control of it. Chinese minority.

ALTHOUGH the Dutch have captured a considerable portion of the leading towns in the area formerly under the Indonesian Republic since they launched their current offensive, they have met with more sabotage and guerilla resistance than they anticipated. Furthermore, the unprovok. ed Dutch attack has strengthened nationalist feeling already very strong among the yout and the educated. To one who has spent any time in Indonesia nothing has been more unrealistic than the professed Dutch elation when it was clear that three Indonesian princes, Rajah Anak Agung, Tengu Mansur and Sultan Abdul Hamid II would go along with the Dutch despute the attack. The latter two are a istocrats who have always been in the Dutch pocket because they feel their only hope of keeping their privileges comes from

the Indonesian nationalist hares as well as the Dutch imperialist hounds but who, in the last analysis, has decided that as a Rajah his privileges are threatened by a republican regime which proved to be strongly anti-feudal in his native Bali. But such allies can do little if any good; there are comparatively few aristocrats and many nationalists in Indonesia. Dutch military expenditures last year amounted to US\$500,000,-000-almost twice what Holland received in ECA aid. This year they seem likely to be higher without successfully "pacifying" Indonesia, a cessfully "pacifying" Indonesia, a necessary prerequisite to its successful exploitation.

The Dutch have succeeded not only in antagonizing Indonesia nationalists and in aligning other Asian nationalists against them, but also in complicating the already difficult pro-blems of other Western nations. The Indonesian Republican government depended on the US to protect them against the Dutch, and one of the reasons the Sukarno-Hatta government suppressed its own insurgent Communist opposition so enthusiastically last September was to prove to the Americans that they were sincerely anti-Communist. When the Dutch attacked and the Americans limited themselves to denouncing the Dutch and stopping ECA aid to Dutch-held Indonesia but not to Holland, many fence-sitting Indonesian and other Asian nationalists came to the conclusion that the US is more interested in anti-Communist imperialists than in anti-Communist nationalists.

Britain has been similarly embarrassed by the Dutch attack. Although the British had previously shifted from a fairly neutral position to one leaning toward its Western Union colleague, the Dutch attack complicated British relations with India and other former British possessions. The British, for example, had been working hard to cement relations with India, in the hope of keeping it within the Commonwealth. But India has taken the lead in aid for Indonesia, while Britain has discreetly supported the Dutch. In short, the Dutch attack in Indonesia has almost done as much to weaken Western influence in South Asia as the Communist victories in China have accomplished in East Asia.

In the meantime, the French have been rattling around in their own narrow cul-de-sac in Viet Nam. Despite an army of over 120,000 men and an annual expenditure of about US\$400,000,000, they are too weak militarily to defeat the Viet-namese and politically they are too colonial-minded to give workable colonial-minded to give workable terms even to their favored puppet, Bao Dai.

A West China Notebook

Lynn Chase and Amos Landman

BEYOND the coastal belt of China lies a vast country—gaunt, treeless mountains in Kansu, camel caravans in Chinghai, terraced rice paddies in Szechuen, primitive tribesmen in Yunnan.

West China, including the Central Asian province of Sinkiang, is populated by nearly 100,000,000 Chinese, Moslems, Tibetans, Mongols, Tartars, and others. It is a varied hinterland lying between Tibet, Soviet Siberia, Red China, Nationalist China, Indo-China, and Burma.

Technically, this tremendous tract is under the hegemony of Nanking. But as a practical matter, much of it is autonomous or semi-autonomous.

Thus, a big slice of China will not be immediately affected by the Communist-Nationalist peace negotiations now proceeding in Peiping, whatever their result.

Northwest Metropolis

The metropolis of Northwest China is a beige-colored city, Lanchow, in Kansu province. Its buildings are buildings are made of the baked earth on which the city stands, and are covered with a layer of dust of this same earth.

The city's sidewalks, like those of many Chinese cities, are a hub of commerce. Peddlers clutter them with dried raisins and apricots, garish Sinkiang rugs, Turkestan caps, cotton piece-goods from Shang-

hai, and scores of other wares.

Mule-drawn droshkies and workcarts-some equipped with pneumatic tires which are scarcer than gold in this area—raise clouds of dust no matter how slowly they move.

Just outside the city along the Yellow River, giant wooden water wheels stand motionless, waiting for the spring rise which will start them

turning and irrigating the fields.
And in villages along the Yellow River are children so poor that they are naked from the waist down, despite the paralyzing cold.

Not far away, in East Kansu and Shensi, are the battle lines of the Communists and Nationalists. If

the Reds win, then what? Wu Hua-fu, Kansu Highway Commissioner, and Gustav Soderbom, a Swedish businessman who has spent most of his life in China, are convinced that the Communists can never take and hold the Northwest. The Chinese, they say, are individualists and will never submit to the Communist organization of society.

Then you talk to Catholic and Protestant missionaries, to a Turki rug merchant and an American businessman, to the Chinese themselves. They ask that their names be with-held, then they speak frankly: The Chinese are fed up with war;

they go to incredible lengths to avoid conscription; even the most unsophisticated look upon the Central Many peasants would actually welcome the Reds, the businessmen and missionaries agree.

Only the Moslems, whose anti-Communism has religious basis, whose antiwill fight. They are a minority, but they hold direct military control of Chinghai and Ninghsia provinces, and indirect control of much of Kansu.

The Moslem who dominates the Northwest is General Ma Pu-fang of Chinghai. We spent a day jouncing over rutted roads to call on him in his exotic capital, Sining, 150 miles west of Larchow.

The moment you cross into Chinghai, an arid, mountain-studded tract bigger than Texas you see evidence of impressive public works. Everywhere young trees have been plant-ed-60,000,000 in the last five years, we learned later. Roads have been improved, irrigation projects built, wool-processing plants set up, and clinics opened. Even free schools have been established—a rarity in China today.

By discreet in uiry, the other side of the coin is revealed. Pu-fang is the absolute ruler of the province. He holds a monopoly in most important enterprises, including the wool industry, we were told by merchants and others. Taxes are said to be exorbitant. One source reports that Ma drafted - without pay-some 40,000 peasant men and women to repair some bridges which were washed out by a flood.

Interview With Ma

Thin-whiskered, imposing Ma Pufang, whose bearing is such that he gives the impression of being four or five inches taller than he actually is, found time for an interview one 7:00

So great is his hatred of the Communists, he said, that he will fight to the last man. But he also despises the Central Government. He attacked Generalissimo Chiang Kai-shek for sending him only a trickle of arms and ammunition. If acting-President Li Tsung jen makes peace with the Communists, le continued, he will ignore the peace. He called for American aid,

The concensus is that Ma Pu-fang's Moslem troops wil fight, and fight well. Those we saw drilling in Sining were easily the sharpest-looking soldiers we have seen in China.

But Ma's 100,000 troops are spread thin on a line from Tihwa, nearly 1.000 miles west of Sining, to the Shensi front, about 400 miles east. Following a recent conference in Lanchow of the governors of the Northwest provinces, Ma drafted enough men for mother division. This does not change the picture materially,

The soldiers have little artillery. Their small arms are of half a dozen varieties, creating a supply problem.

Air Transport, just flew them 50 tons of American aid program munitions, but the arms stock remains low. Northwest China, far away on the Central Asian highland, appears beyond the reach of effective American help, assuming such help is tendered.

Chinghai's hope seems to be that the Reds will not now expend the men to storm the Sining River valley, the main entrance to the province. It is a narrow defile which a small force could hold for a time.

Similarly situated as to arms is Ninghsia province, whose governor is another Moslem warlord, Ma Hung-kwei. Ma Hung-kwei, how-ever, is closer to Red territory, has a smaller percentage of warlike Moslems in his army, and does not enjoy the same natural defenses as Chinghai.

Both Mas represent a Moslem ruling a non-Moslem According to reliable, minority majority. neutral sources, the latter has little or no desire to fight.

Chungking And Chengtu Five hundred miles south, in the heart of Szechuen province, are Chungking, China's wartime capital, Chengtu, provincial capital.

Mayor Yang Shen of Chungking, a former warlord, tells you the people fear the Communists, but that if acting-President Li Tsung-jen makes peace, Szechuen will accept it. There is, however, one proviso: should Chiang Kai-shek reject a peace consummated by Li Tsung-jen, Yang believes that Chiaż's rich provinces including Szechwen meuld vinces, including Szechuen, would support the Generalissimo.

Two others, General Hsu Szeng, Secretary-General of the ping, Chungking Pacification Headquarters, a military area embracing four huge provincial government in Chengtu, both acknowledge that the peasants are fed up with war.

The Chengtu Garrison Commander and chief of the secret police, Lieutenant-General Yen Hsiao-fu, denounces the Communists, but says he is willing to string along with the Central Government in its peacemaking efforts.

The position of the officials falls into perspective as you talk to others. General Hsien Teh-sen, an official of the outlawed Democratic League, and a wealthy landlord living in a hilltop mansion 1,000 feet above the Chialing River, in Chungking, declares, "the people Chungking, declares, "the people urgently need and want peace."

Despite the government's order that political prisoners be freed as evidence to the Communists of good faith in peace negotiations, the staff of two Democratic League papers remain in jail, Hsien maintained. The reason Hsien himself is not there is that he is in his 70's, and

age and scholarship are venerated even among political enemies.

Missionaries and foreign consular officers confirm his statement that the people want an end to fighting.

You are told of abuses by the government. The peasant spends two or three days bringing his rice to tax collection offices, for taxes are paid in kind. Eating along the way is expensive for him. sometimes when he turns in his rice he is told that the grain is inferior, and that he cannot be given full credit for it. He has no recourse.

Then the tax rice is often sold to speculators-sometimes government officials-who dump it on the market at harvest time, depressing the price the peasant receives for his grain. A few months later, when peasant has to buy rice for food, the price will have soared.

A Chinese recites a jingle commonly used to describe the public toward government attitude

ficials:

"Meet and not discuss; Discuss and not decide; Decide and not act; Act and not show strength"

Men In Uniform

Despite the talk about peace, soldiers are omnipresent. At first, because they are so unmilitary-looking, one does not take much note of them. But then you become aware that however wherever you go, travel, there are always men in uniform.

In Lanchow, there are no customs officials, so soldiers inspect your luggage. On the Chinghai-Kansu border, it is they who check travellers (asking us for calling cards rather than passports). In Chungking, Chinese Air Force planes were flying passengers about the country for pay. In Chengtu, there were no coolies to load a commercial plane, so soldiers were ordered to do the job.

Hanchung, a walled city in South Shensi, is jammed with troops who have been evacuated from Sian, where the war is going badly for the Nationalists. Military traffic on the highway from Szechucn to Hanchung, Sian, and Lanchow is reported heavy. Soldiers ride truck convoys around Kunming to protect them from bandits.

Seven new divisions are being conscripted in Chungking, five in Yunnan, in addition to the one in

Chinghai.

Officials declare the new units are to be used only if peace negotiations But the men appear dispirited and lackadaisical. A former colonel in the Chinese army who has travel-led all over West China says that neither rookies nor veterans have the slightest desire to fight. adds that even high officers cannot support their families on their pay.

With few arms and a populace which may become ugly if an attempt is made to force it to carry on the war, West China can only await the inevitable.

When the Communists get ready to move, the rugged terrain will be which comes into conflict with the the most important and, some say, the only factor tapproved For Release 2006 04/2/rite CIA+RDF83+90415R003600066000 在4始两也).

Plebian Rights:

China's Suicidal Factors At Work

- _A MIDNIGHT CRY (午夜呼聲)-

OF all the suicidal factors at work in this pseudo-democracy of ours, the trampling of people's rights has been the greatest. The Government has muzzled free speech and press, imposed heavy taxes, monopolized commercial enterprises and indulged in the wanton issue of banknotes. In so doing, it has all nated itself from the people, without whose support no government can long survive.

Professors Wen -to and Li Kungpo were assassinaced in Kunming because of their cutspoken attacks on the corruption of the bureaucrats. Gestapo and secret service men have been so omnipresent in cities in the interior that the owners of teashops and restaurants, in order to prevent any untoward incidents, had notices posted on their walls reading: "Refrain from talking politics. By order of the Gendarme Jorps." Even in Shanghai men and women have been Corps." secretly whisked away by the Gestapo on the pretert that they were either communists or anti-Kuominbeen and have tang of no more. As ate as last May, disappearances under the guise of suppressing communism were frequent in Shanghai, but in reality the victims' only crime if it could be called a crime, was to oppose official corruption.

These activities silenced public opinion, and innocent people, once they were kidnapped by the secret agents, had little recourse. Many a respectable family was terrorized and its only alternative was to take flight to Hongkong. The activities of the myriad illegal and semi-legal organizations drove hundreds of innocent citizens to foreign asylums.

The Bill of Rights remained a dead letter in spite of the promulgation of the Constitution on December 25, There was, for example, the Peking student tragedy, in which 14 students died under rifle and machine gun fire and more than 100 were wounded.

No more did the Constitution safeguard the right to freedom of the press. Or July 8, 948, the Hsin Min Pao, an independent Nanking newspaper with a 20 year history and the largest circulation in the city, was permanently suppressed on charges of violating Article 21 of the Publication Law by "disseminating propaganda and attempting to discredit the National Government." This Law reads: "No publication may print anything which seeks to overthrow the Kuomintang or is in contradiction to the Three People's Principles." However, this law was sunposed to be valid only during the Tutelage period and is in contradiction to Article 17! of the Constitution, which declares that "Any law

Shanghai lodged a bitter protest over the measure, and even a member of the Legislative Yuan, Liu Pu-tung, termed it "excessive," but the order has never been rescinded.

The basic duty of a democratic government is to provide its people with food, or at least to facilitate their getting food by means of trade and industry. But our feudal and dictatorial regime, by stringent import restrictions surcharges, its wanton issue of banknotes unsupported by monetary recommandeering of serves, its means of transportation for the army and many other like measures, has managed to strangle the commercial and industrial life of the Government_sponsored people. state-owned enterprises such as the Central Trust of China, the China Vegetable Oil Corporation, the China Textile Industries, the China Mer-chants Steam Navigation Company and a host of others have been given favored and powerful positions to the detriment of private merchants. These state-owned enterprises have not had to pay taxes, and they have been given an unlimited supply of capital, special facilities and privileges. How could the average businessman hope to compete with them? The pseudo-democratic gov-ernment we have now is a government run by and for these vested inbureaucrats terests—the militarists, and monopolists.

O China, China! Since thou hadst miraculously emerged from the pool of Manchu monarchic despotism, and, with the aid of America, thrown off the yoke of aggressive totalitarian Japanese dictatorship, thou shouldst have at once set thy house in order and relieved the miseries of thy hungry and victimized people. "The people," lectures Mencius, "are the most important element in a nation; the spirits of the land and grain are

the next; the sovereign is the lightest (民為貴祉稷永之君為輕)."
However, instead of discharging thy sacred duty, thou hast tolerated thy avaricious bureaucrats to skim the cream from the starving people. In the reshuffling of the functionaries thou hast, metaphorically speaking, "changed the medicinal decoction without changing the ingredient" (換湯不機藥), consequently the government has been corroded. "Thou art weighed in the balance and art found wanting." Howbeit, it is still "not too late to mend the enclosure, after the sheep is lost" (亡羊 補 牢尚未為晚 if thou wouldst seize the opportunity. In order rally the support and to bolster the confidence of thy people, wilt thou not dismantle thy hypocritical mask (假商具) by, as Mencius says, "collecting for them (the people) what they like, and not to lay on them what they dislike" (得其心有道

Shanghai Drama Students:

The Stage Is Their School

-Fred Rein-

NEAR the end of Shanghai's North Szechuen Road, occupying two floors of a dingy, run-down four story building is the Shanghai Municipal Drama School, a small but influential institution that has taken a leading place in China's modern theater movement. Founded a few months after the close of the Japanese war it has, in spite of great financial handicaps, become one of China's important centers of professional theatrical training.

To the casual visitor the school's appearance is anything but imposing. Sandwiched in with a primary ing. Sandwiched in with a primary school on the first floor and a museum on the third, its dark halls and crowded, dilapidated classrooms show plainly the school's poverty. Much of its already insufficient space has been occupied as billets for government troops, and the small, poorly equipped stage would not do credit to an American grade school. But one has only to attend a performance in this tiny theater to realize at once that here theater to realize at once that here is an organization with the highest standards of theatrical art. The excellence of the students' work proves the Shanghai Municipal Drama School to be an object lesson in achieving so much with so little.

Much of the driving force that lies behind the school's program is centered around its enthusiastic and energetic president, Dr. Hsiung Foohsi. Formerly head of the Drama Department at the Peiping College of Fine Arts, Dr. Hsiung has long been recognized as a leader in the Chinese modern theater. Chinese modern theater. A playwright of importance who sees the theater as potentially a strong force for social education, he has devoted most of his time and energy in re-cent years to the training of young playwrights, directors, and actors. While the theater, along with other activities, has cultural suffered severely under the present distressed conditions, Dr. Hsiung is confident that the modern realistic drama, through its ability to deal with con-tempory problems, has an important future in Chinese life. A small man of tremendous vitality he quickly infects his listeners with his enthusiasm. It is this same enthusiasm that is evident in all the school's activities; a determination and drive that enables the teachers and students to overcome many of the hand-

icaps of poverty.

Actually, the school is "municipal" pitifully small salaries are paid by the city government. As far as all other expenses are concerned, it must be self-supporting. To meet these expenses, including those of feeding and housing its students, the school is dependent on the box-office

continuously. Each show runs about three weeks, and the house is dark only a very few nights a month. While such a situation does place demands upon their budget that no educational institution should forced to meet, it has, through grim necessity, developed high standards in the schools' productions and a keen, professional attitude toward their work on the part of all the students. This intensive practical experience combined with the theoretical background they receive through their class work gives the students a sound realistic approach to the

Unfortunately the meagre income that the lox-office provides is seldom enough to go around. Production expenses are cut drastically on many occasions, and the students standard of living is extremely low. For the most part they are undernourished, their slim diet insufficient to meet the needs of their heavy program of work and study. Ironically enough, most of the almost students come from families of means, but, because of the low regard in which the theatrical profession is held by many Chinese today, they receive no support from home for either their studies or their living. It is clear that it takes a great sense of purpose, a strong belief in what they are doing to leave comfortable homes for an existence which offers then; so little, in the way of material necessities. A large part of this devotion comes from their belief in the theater as an educational medium. Like many of the modern theatrical workers in China they think of the theater as a constructive social force as well as a form of entertainment.

At present the school offers a two year course covering most of the branches of theatrical art. Playwriting, directing, acting, and design are the major fields of study. In addition, there are offered courses in theater history, both Chinese and European, as well as background courses in music and the other arts. The students frequently have opportunities to work with visiting directors from some of Shanghai's motion picture companies. While the total faculty includes about 18 members, it is relatively few of these that are able to devote their full time and energies to the school. It is on the shoulders of Dr. Hsiung and a few others, such as Mr. Chiu Si, the Professor of Scene Design, and Mr. Wu Tien, the Professor of Playwriting and Dean of Students, that most of the responsibility for keeping things going rests. It is this small group of men that work tirelessly with the problems of production, student welfare, budget stretching, and



Mai Kan (麥 桿)

for the school's productions drawn from the surrounding neighborhood of Hongkew. "When we first began," says Dr. Hsiung," our audiences were very small, but they have grown larger, and many members of the community take a very gratifying interest in our work. As they are really our supporters we have a responsibility to offer them the best modern drama that we can." Acting on this principle the school is growing towards more of a unity with the community. At present Mr. Chiu and Mr. Wu are forming an organization among the patrons of the theater, a sort of a "play-goers club" that they hope will bring the audiences closer to the work and stimulate an interest in the school's activities.

Until recently a large percentage of the graduates were absorbed into the local film studios, but current bad conditions have cut down employment a great deal in that field. In an effort to cope with this situagroup of recent graduates that is now rehearsing a play in one of the school's rooms. They hope to present it shortly in the school's theater, and, if it is successful, go on to establish an independent company

of their own.

The uncertain conditions that prevail in China today make it hard for one to foresee the future of any or-ganization. What lies ahead for the Shanghai Municipal Drama School is as open to speculation as anything else in this uncertain world, but, if past performance is any indication, it has the ability to survive and grow under the most trying conditions. Dr. Hsiung and his coworkers have ambitious plans for the coming years, but many of them are dependent on whether the institution receives the economic support it so richly deserves. In any case the school's devotion to the basic principles of art and service should stand it in good stead during whatever

receipts from its productions. As a general administration. it in good stead result they present plays almost For the most part the audiences Approved For Release 2006/04/21: CIA-RDP83-00415R003000660007-4

Siam: Cockpit Of Anglo-American Interests

H. C. K. Woddis

(Reprinted from the Eastern World)

SIAM is increasingly becoming a fecal point in South East Asia, as she was on the eve of the Second World War. Then it was the rival interests of Britain and Japan which were predominant. Today it is the interests of Britain and the United States that dominate Siamese poli-

Recently Mr. MacDonald, High Commissioner for Southeast Asia, flew to Bangkok for talks with Pibul Songgram, the Siamese Premier. Pibul is the man who opened the gates of Siam to the Japanese in 1941, declared war on Britain and America in 1942, and accepted the rank of Major-General in the Japanese Army. He has been repeatedly denounced as a war criminal. He was placed on the war criminals' list by the first postwar Government of Siam. The authoritative Chinese paper, Ta Kung Pao, called for his punishment in 1945. .

Pibul's rise to power has only become possible through the backing he has received from outside. After the war there was a succession of governments in Siam. It had been assumed by Britain that the United States would regard that country as in the "British sphere of influence," but an American nominee, Momraja-wong Seni Pramcj, who had been Minister to Washington during the war, was flown back to Siam to become Premier on September 17, 1945. He did not last long, however, and in March, 1946, Nai Pridi Phanomyong, who was more friendly disposed to the British Course ly disposed to the British Government, became Premier, to be replaced several months later by Luang Thamrong Nawasawat.

Coup d'Etat

For a time it seemed that with the Thamrong Government the people of Siam would enjoy democratic government. There was, however, unbridled corruption throughout the entire administration, and in the Government itself. Living condi-Government usen. Living conditions did not improve and racketeering increased. Both Royalists and Fascists took advantage of this situation to wage a vigorous campaign against the Thamrong Government. The effect of this drive undoubtedly

The effect of this drive undoubtedly contributed greatly to the seeming indifference towards the coup d'etat which put the Thamrong Government out of office in November, 1947. The coup d'etat of November, 1947, was planned and carried out by Pibul, Commander-in-Chief of the Army and Fascist leader, in unity with the Royalists, grouped in the Democrat Party, and led by thirty with the Royanses, grouped in the Democrat Party, and led by Khuang who then became Premier, only to be ousted later by Pibul himself. Pibul represents the profiteers and black-marketeers who made huge fortunes during the Japanese occupation. It is alleged that finan-paign are understood more clearly Bangkok. Now there are 30. The cial aid was for Approved For Release 2006/04/24 iz CIARDES 3.00415 R00300006 0007-40 rmerly went to

prior to the seizure of power from the American Embassy via the Chinese Embassy which is supposed to have actually handled the transactions. Khuang is a wealthy compradore and land wner and represents these same groups. Thamrong and Pridi represented a liberal group of capitalists who looked more towards the British Government than the United States. .

Immediately after the coup d'etat there arose acute differences between the Royalists and Fascists, based on the economic rivalry of the two groups. Khuang had succeeded in excluding the Fascists from the Cabinet and set about gaining control of banking and rice in Siam. The Pibul group had bought large interests in the Bank of Ayuthia. Khuang had this Bank and others closed, thereby widening the Royalist-Fascist rift. Khuang also attempted to gain control of all rice mills in Bangkolt the already own. mills in Bangkok -he already own-ed about half of them. But this scheme was block d by two strikes successfully carried out by the workers acting in agreement with the owners of the threatened mills.

Khuang Returned

An election was held in February, 1948, and the Khuang Government was returned. The Fascist Party (Tharmathipat Party) formed shortly after the coup d'etat, gained no seats whatever. A rally held under the slogan "Pibul for Premier" on February 8 was an utter flop. Some idea of the attitude of the people towards the political scene may be gained from the fact that only 27 percent of eligible voters participated in the elections.

Khuang continued as Premier for a month, only to be ousted by Pibul. The vote of confidence in the Pibul Government taken on April 21, 1948, showed 70 in favor, 26 against, and 67 abstentions.

American support had been given to Khuang by the payment of several million dollars for deliveries of tin, although this payment had been withheld from the Thamrong Government. While supported by the United States Government, Khuang, a rabid American phile, lacked the political skill and force which Pibul Accordingly, possesses. America chose Pibul-and Pibul became Pre-

To gain mass support, Pibul has en insidiously encouraging the been rather strong arti-Chinese feeling that exists in Sinn. Attempts are being made to waken Chinese influence in commerce by granting special rights to an ex-servicemen's organization controlled by Pibul, In addition, almost all Chinese schools have been closed, and a number of Chinese arrested. The reasons for the anti-Chinese cam000 Chinese form one of the most politically alert sections of 18,000,000 strong nation. The majority of them are workers and form the backbone of the progressive trade union movement. ther, a majority of Chinese nationals in Siam are highly critical of the Chiang-Kai-shek regime, and are bound to be greatly influenced by the Communist victories in

British and American interest in Siam is not hard to understand. One look at the map will explain that. To the south lie Malaya and Indonesia now in the midst of war; to the east is Viet-Nam in a similar plight; to the west is Burma torn by civil war; and to the north, China.

These political and strategic considerations brought Mr. Malcolm MacDonald recently to Siam so soon after the Southeast Asia Conference in Singapore....

But there are other considerations, too, that Mr. MacDonald must have had in mind when he stepped off the plane at Bangkok. Siam's 800,-000 tons of rice exports a year make it a major source of rice supplies in Southeast Asia, especially now that Burma is in the throes of civil war. Siam also has tin, rubber, pearl fisheries and teak wood, and abundant supplies of cheap and relatively poorly organized labor. Further, Siam is an important market for British goods.

Rival Interests

Formally independent, Siam in reality has for many years been the pawn of the Big Powers. Up to 1945, British and Japanese influence was paramount. Today it is mainly that of Britain and America. It is this interplay of rival interests which largely explains the extreme which largely explains the extreme instability of Siamese governments. Siam has had no less than 22

cabinets in 16 years—nearly half of them since 1945.

Britain's interest in Siam is a long-standing one. For 16 years an Englishman, Doll, has been supervising Siam's finances. For many years Siam's tin has been exported to Malaya for smelting. And trade to Malaya for smelting. And trade. banking and teak have remained largely in British hands.

At the end of the Second World War, British business interests in Siam seemed secure. But meanwhile American businessmen had been entering the field. Pibul found no difficulty in adapting himself to the Americans. A report in the New York Times stated last summer that he was "friendly towards the Americans and wildered Americans." the Americans and welcomed American trade and business undertakings in Siam." The facts certainly bear out this contention. Before the war there were two American firms in

British-owned smelters in Malaya, now goes direct to Longhorn, Texas, US. The Americans are buying up rubber, rice and other raw materials. It is intended to open up an American branch bank in Bangkok, and so loosen the British monopoly on foreign loans for various projects, and already an American company is engaged in enlarging the airdrome near Bangkok to a size where it will be possible to accommodate the largest aircraft. There is a virtual monopoly held by American Airways on all transport lines connecting Siam with the outside world. A continual increase in imports of American mass-produced goods is adversely affecting numbers of small businesses in Siam, especially around Bangkok, and American films and magazines are to be seen in increasing numbers. The Siam Foreign Office has an American adviser, Mr. Patton, who is consulted on all major policy questions.

Southern Provinces

It has been alleged that in order to prevent the stability of the American-directed Pibul Government, British agents have fomented discontent among the Malay population in South Siam—Patani—and unrest has reached considerable proportions. There is adequate reached this proportion of the state of son for this unrest, for the Patani Malays are subject to extortion by corrupt officials. There are no corrupt officials. schools provided for them though many of them can speak no Siamese. There have been reports of re-ligious persecution, too. Although the leadership of the Malay nationalist movement in Siam is similar to that of the UMNO in Malaya, the movement is an expression of the just demands of an oppressed national minority for cultural autonomy. British agents are said to have supplied the Patani Malays with arms and have trained detachments of them in Malaya. It is worth noting that the New York Herald Tribune reported on December 2, 1948, that 5,000 badges, arms or seed kniet (Accepts) carrying crossed krises (daggers) surmounted by the Union Jack, with the words "New Malaya" in English, had been engraved in Singapore, allegedly for a secret organiza-tion plotting a revolt in Siam's four southern provinces.
Undoubtedly the events in Malaya

itself will influence both the British Government and Pibul as to how they handle the question of the four southern provinces; and doubtless this was one of the matters discussed by Pibul when Mr. MacDonald flew to Bangkok. Meanwhile Pibul, in quaint defiance of all geography, has assured a British correspondent that he "considers Siam as one of the Western (sic!) nations in the present conflict with the Communist East." Such assurances as these have no doubt weighed heavily with the British Government. It is reported that military equipment sufficient for eight battalions will be supplied to Pibul by Britain, as well as £5,000,000 worth of railway equipment, which also has its obvious military uses:

The Week's Business

DURING the first few days of the week under review, quotations and prices increased very rapidly lars. The "Big Head" (silver dollars. because of reports of crossing of the Yangtze by the Communists and the breakdown of the peace negotiations. However, during the last few days of the week, the tempo slowed down slightly because of more encouraging news from Peiping regarding the peace talks, reports of cessation of military operations by both the Nationalists and the Communists, and the comparatively tight money situation with the approach of salary and wage payments based on the cost of living index to be announced on April 15.

The increase of the price of rice was probably more serious than anything else, including gold, and showed the increasing demand for this staple food in view of the worsening political and economic situasening political and economic situation. From March 31 to April 11, the price of rice rose from GY 95,000 to GY 440,000 per picul, an increase of 358 percent. Meanwhile, the price of silver gained by 350 percent, gold by 268 percent and US dollar notes by 257 percent.

On April 13, rice rose further to GY500,000 per picul, while gold closed at GY3,500,000 per ounce, silver at GY85,000 and US dollar notes at GY82,000.

According to well-informed circles, Shanghai requires 800,000 piculs of rice per month. of which 550,000 piculs are supplied by the rationing system and the remaining 250,000 piculs come from the rice merchants. For the months of May, June, July and August, Shanghai will need and August, Shanghai will need 1,000,000 piculs of rice in addition to the rationed supplies. According ing to present plans, the Central Bank of China will import 600,000 piculs of rice and the local rice merchants will be asked to supply the remaining 400,000 piculs needed for the four month period.

Meanwhile, quotations for gold slowed down considerably because of the dumping of large quantities of gold by the Central Bank, which was attempting to create a tight money stuation. The interest rate rose to GY300 per mille per day on April 13. On April 11, it was re-ported that the Government Bank unloaded some 15,000 ounces of gold onto the market, and on the next day another 25,000 cances were sold.

The price for silver dollars has increased because of increasing demand on the part of the general public. Although the silver dollar should be valued at about fifty US cents, it is now sold at a slightly higher price than one US dollar.

People have been buying silver dollars in order to preserve the value of their money for two days or one week until they have to spend it. Taking advantage of this large domand, the peddlers are selling silver dollars at high

lar with the picture of Yuan Shihkai) is now the most popular kind of silver dollars, followed by the "Small Head" (silver dollar with the picture of Sun Yat-sen), "Boat Coin" (silver dollar with the picture of a Chinese junk), and the "Eagle

Dollar" (the Mexico dollar).

In an attempt to centralize the business, the authorities are planning to open a market for the buy-ing and selling of silver dollars. Meanwhile, measures are being con-sidered to do away with the differ-ent rates for different binds of ent rates for different kinds of coins.

In this connection, reports have been received here saying that silver dollars are being demanded by the Canton-Hankow Railway Adminis-tration for payment of freight and passenger charges and that Silver Dollar Scrip Notes are being issued by the Hunan Provincial Bank for circulation in Hunan Province. In Foochow, notes in values of one tou (one tou equals one tenth of a picul), two tou and three tou of rice are being issued for circulation.

Despite the high increase of commodity prices and financial quotations, businessmen and manufactur-ers find it more and more difficult to carry on their business because of the rapidly diminishing purchasing power of the people. It is reported that the local manufacturers and businessmen have formed several committees.

One committee aims to negotiate for a barter agreement with North China so that industrial products the North in exchange for coal, soya beans, and other products. A second committee has been organized to study the problem of purchasing raw materials from abroad and selling local products in foreign countries so as to obtain the necessary foreign exchange for the import of raw materials.

A third committee will be organized to study the question of the cash shortage and to make suggestions to the financial authorities to improve the cash simples. improve the cash situation. It is reported that local factories commercial firms will require no less than GY100,000,000,000 in cash require no notes for the payment of salaries and wages on April 15. So far, it is feared that the Central Bank will not be able to supply these large sums of cash notes.

The following list gives the quotations of some of the leading commodities on April 6 and 13:

	Apr. 6 GY	Apr. 13 GY
Gold	1,340,000	3,500,000
US Dolla:	r 29,500	82,000
Certifica	te 26,000	58,500
Silver Doll	lar 27,500	85,000
20's Yarn	5,000,000	12,500,000
Rice	168,000	450,000
Wing On Textile 24.50		53.30

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The Review's English Lesson—LXXVIII

THIS week, we shall use as our text an article by Louis Francis Budenz, titled "The Menace of Red China" (Collier's, March 19, 1949), which, in addition to some difficult expressions, also uses some interesting journalistic methods to persuade the reader to adopt the author's point of view. Unfortunately, space does not permit us to quote the article in full.

THE editor's introductory paragraph reads, "The Communist avalanche that's rolling across China will gain momentum, smash across the Pacific islands and cover the United States—all according to the Soviet plan. The American public's apathy to this looming disaster is also a part of the plan—exposed here by one who took part in the plotting.

That's: This contraction for "that is" is frequently used in conversation, but, in writing, it is better to write it out in full. A less awkward way to put it is, "avalanche now rolling...." Notice the verbs: rolling. smash and cover: all connoting violence, force, brutality.

Apathy to: Apathy toward is better.

Looming: An overworked word, used for any threatening, terrible event. A troubled, dark sky, threatening a violent storm, is said to be "looming over

WE are off to a good start. The author, who, we learn later on in the story had a change of heart and resigned—or was pushed—out of the American Communist Party, will expose the nefarious plotting of the Kremlin against the United States, using vast China as a pawn in the process. The story is thus sure-fire a pawn in the process. (certain to succeed), since it invokes the terrifying image of a plot to conquer the US, upon the authority of one who has given up the system of belief he once held, and is now exposing it. The opening paragraph of the story proper begins, "The Communist conquest of China, now dangerously near completion, long has been planned as a major milestone in Moscow's road toward creation of a Soviet America."

Communist conquest—major milestone—Moscow's: Notice the use of alliteration as a rhetorical device, used to render the statement more effective.

Dangerously: Leaving this word out of the sentence removes much of the writer's opinion of the facts. One could say simply, "now near completion", and let the reader make up his own mind about the danger.

Milestone: Often used figuratively, as here, to indicate an important stage in the development of any plan; the phrase, "milestone on the path of progress", is now hackneyed (has been used so much that whatever original force it had is now gone).

Later on, we have: ".. .the Soviet tenet that China is the master key to a Red White House."

Tenet: An article of belief.

Master key: Usually, a key which opens all the locks of a building, etc. Here, the meaning seems to be the one key that will open the one door—that is, to the Sovietizing of America.

Red White House: A Soviet Government in Washington. Juxtaposing "Red" and "White" makes the contrast more forcible.

OFF on a side trip to Japan, the author quotes an editorial in a Moscow paper which "predicted that 'the insensate policy of power-drunk American monopolies in Japan would cost blood the blood of the people But : CIA-RDP83-00415R003000060007-4 surrendered.

it concluded, 'the national liberation movement in the Asiatic countries will drive the American imperialists out of all Asia, including Japan."

Insensate: Brutish, without intelligence, here also

Power-drunk: Made deliriously happy by the acquisition of great authority.

In Japan would: These three words, since they are outside quotation marks, are the author's summary of the original text between "monopolies" and "cost"; this part of the text may or may not have been important to the meaning of the passage, or may even have changed the meaning significantly, if it had been quoted in full. The reader does not know. This selection of certain passages, to take a trivial illustration, is much practised by New York theatrical producers, who often abstract the one word of praise from an otherwise scathing review of a play, and prominently display it in front of the theatre, thus fooling prospective ticket-

Further on, the author writes: "Most Americans, during World War II, fell for the Moscow line that the Chinese Communists were not really Communists.'

Fell for: Accepted as true.

Masterminded: In, "Browder masterminded the new na policy." A "mastermind" is a supreme intelli-Chinà policy." gence, a top leader, a strategist; used as a verb, the word means to direct, to organize, to plan.

Prior to: Has come to be used more and more as a pompous synonym for the word "before," especially in "officialese." Better avoid it.

Referring to Chou En-lai's proposal in 1946 to set up a coalition government, the writer says, "(Everyone remembers the 'advantages' a coalition government gave Czechoslovakia.)"

"Advantages": Quotation marks are often used to indicate the author's disbelief in, or ridicule of, the word or phrase thus set off. The writer thinks that what happened in Czechoslovakia after the change in government was bad; and implies that the same things would have happened in China, and would have been equally bad.

THE writer says a little later: "Russia, after a six-day phony war with the Japs in Manchuria, disarmed 625,000 Nipponese soldiers and turned their weapons over to the Chinese Communists. That Russian-donated booty enabled the Chinese Reds to drive Chiang Kai-shek's soldiers out of Manchuria, North China, and to eventual surrender at Nanking.'

Phony: False, bogus.

This passage illustrates the convenience of leaving out facts which damage one's case. Here, the author is trying to prove that the Russians are entirely evil, for one thing because they turned arms over to the Chinese Communists in Manchuria. He neglects to mention the strenuous efforts made by the United States to get Nationalist soldiers, arms and ammunition to areas held by the Communists, to take over from the Japanese. This has been called the greatest airlift of men and materiel in World War II. Whatever the merits of this writer's case this point is brought as the same than t writer's case, this point is brought up to warn the reader to beware of taking half the facts as the whole case.

It is interesting to note that the writer already had the Nationalist Government surrendering at Nanking some time ago. Whatever his confidence that this would happen, he might have put it more carefully, so that the hasty reader would not jump to the conclusion that the

NEWS OF THE WEEK

Peace Talk Breakdown Narrowly Averted; Reds Mass On Yangtze

WIDESPREAD confusion, extreme nervousness and wild speculation prevailed in Nationalist. China last week. A series of highly disturbing events have happened on the political, military and economic fronts. The threatened breakdown of peace negotiations in Peking, the muchrumored split inside the Kuomintang on the question of peace, mounting Communist pressure along the north bank of the Yangtze River and the sensational depreciation in the value of the Gold Yuan notes combined to convey the impression that all this added up to something exceedingly disastrous.

The Kuomintang-Communist peace talks which began on April 1 are understood to have bogged down. Two weeks have passed and yet the delegates are still engaged in informal preliminary discussions. not known when a formal conference will start. Rumors were persistent that the Communists had presented an ultimatum to Nanking and demanded a yes-or-no answer by April 12.

According to well-informed sources, Communists demanded an immediate crossing of the Yangtze River in the course of current peace negotiations in order to supervise the implementation by the Government of the eight terms set forth by Communist leader Mao Tze-tung.

Exchange Of Messages

Acting President Li Tsung-jen made a direct appeal to Communist chairman Mao Tze-tung. Said he: "I will accept without evasion the severest punishment, even being burned in oil or dismemberment as a a so-called war criminal for past mistakes which are still hindering peace."

Mao in reply said that the Communists were ready to adopt "lenient policies" in the current peace talks, which, however, must be "based on the liberation of the Chinese people and the realization of peace." Mao's reply read as follows: "By concretely realizing the eight terms it will not be difficult to reach a correct settlement. This applies also to the question of war criminals. If the peace talks are based on the liberation of the Chinese people and the realization of peace our party is realization of peace our party is willing to adopt lenient policies.... For the purpose of liberating the Chinese people, safeguarding the independence of the Chinese nation, and ushering in a period of prosperity and happiness for the people you and we must quickly conclude an agreement. The Chinese Communist bombardment Chinkiang under Approved For Release 2006/04/21 : CIA-RDF83-00415R00300006000724st China is the

Party is willing to cooperate with all patriotic elements to accomplish this tremendous achievement."

The exchange of messages tween Li Tsung-jen and Mao Tzetung is said to have averted an immediate breakdown of the peace talks. A responsible official in Nanking told the press that many difficult points have already "straightened out." The only already been portant problem remaining in preliminary discussions, according to an official source in Nanking, is the reorganization of the Kuomintang armies. It is understood that the Communist interpretation of the reorganization includes permission to bring Communist forces south of the Yangtze River after a peace agreement is signed to supervise the reorganization. Non-acceptance of this by the Nationalists to date is believed to have held up the opening of formal talks. It also has delayed implementation of a cease-fire along the Yangtze line, which is said to have been reached in Peiping on April 3.

Reds On The March

THE Peiping Communist openly announced that three Communist field armies were actively preparing to cross the Yangtze River with the objective of realizing peace on the terms of Mao Tze-tung. It is reported that the three armies in question are the 2nd, 3rd and 4th field armies. The first two armies were formerly known as the Central were formerly known as the Central China and East China liberation armies, while the 4th field army is composed of General Lin Piao's veterans from Manchuria.

Nationalist forces south of the Yangtze are estimated by the Communists at about 300,000 along the lower reaches and 200,000 along the middle reaches. These forces are regarded by the Communists as somewhat smaller than those destroyed in the Hsuchow battle and their combat power is thought to be much lower.

Several important Nationalist bridgeheads along the north bank of the Yangtze have already fallen into Communist hands. Communist occupation of Yicheng, 25 miles northeast of Narking, and their assaults against Kwachow pose a savious threat to the Narking Shong serious threat to the Nanking-Shanghai Railway. Military observers point out that Communist artillery mounted in the Kwachow region could not only sweep the Nanking-Shanghai Railway where it bends but heads he had been share and the bank but close to the Yangtze south bank but could also bring Chinkiang under

vincial capital of Kiangsu and the pivotal defense center protecting the communication corridor between Nanking and Shanghai.

A strong Communist force under General Chen Yi is reported to be attacking Nationalist positions on the Yangtze north bank opposite Wuhu, 60 miles southwest of Nan-king. One report said that the Communists penetrated into Silingshan township, 25 miles south of Wuhu on April 10 but were subsequently beaten back.

The present battle for the bridgeheads along the north bank of the Yangtze is generally regarded as a softening up process, which will pave the way for a Communist cross-over. Military observers still find no positive indication of how soon a major assault across the Yangtze will take place. It is noted that the possibility of attaining this objective by political means is an important factor in delaying the crossing.

Closing On Hankow

THE situation in Central China has caused considerable concern because of the rapid Communist drive on Hankow. The official military news agency in Nanking reported that the Nationalist forces are falling back on Hankow under the attack of Lin Piao's Manchurian columns. The government announced the loss of Hokow and Yaochiatze, with Nationalist forces retreating to Changchuanlin, 36 miles north of Hankow. It was further reported that Communist troops have taken Sishiu, 55 miles east of Hankow. Government forces are also falling back before the big Yangtze port of Kiukiang, 230 miles southwest of Nanking. The Nationalists have given up Huangmei, 30 miles north of Kiukiang.

Competent observers attach tremendous political and strategic importance to the Communist drive on Hankow. The reason is quite vious. For one thing, Central China, with Hankow as headquarters, is now under the control of General Pai Chung-hsi, a close subordinate of Acting President Li Tsung-jen. If General Pai under increased Communist pressure closed a political deal with the Communists on the pattern of Peiping, the whole Nationalist position south of the Yangtze would be rendered hopeless. Even if no political solution is possible, Communist occupation of Hankow by force would cut off the Canton-Hankow Railway, thus threatening the backdoor of the Nationalists. The fact that General Lin Piao's tough fighters have been thrown into the Hankow front is highly significant.

Mass Arrest

frequently reported rounding up of people on charges of engaging in subversive activities, or violating martial law. In Taipeh, more than 200 students were arrested on suspicion of instigating student riots and demonstrations. An AP story dated April 7 from Taipeh said: "Troops April 7 from Taipen said: "Troops armed with Thomson guns and rifles cordoned off tightly the compounds of Taiwan University and Taiwan Normal College and blocked all traffic on streets leading to the two institutions." Regimning from midinstitutions. Beginning from mid-night, April 5, the whole garrison and police force were mobilized to spread an extensive dragnet over 21 'professional' students whose arrest was demanded. Closely linked with the surprise student roundup was the reported disappearance of two newspaper reporters. One paper said that both of the two were yanked out of bed and arrested early yes-

terday morning by plain clothes men.

More politically sensational is the arrest of two prominent members of the Legislative Yuan—Ting Shao-sien and Hsu Wen-tien. Legislator Ting, who described himself a liberal-minded man, said he was arrested at bookstore in a busy section of Nan-

The Legislative Yuan serious view of the arrests, which were regarded as violating the constitutional rights of the Legislators. It is stressed that unless the incident is satisfactorily settled, the Legislative Yuan will call a meeting" strike.

Collapse Of GY

THE Gold Yuan notes are having a much worse fate than the fapi. The alarming sky-rocketing of commodity prices in recent weeks is reminiscent of the last days of the fapi, when people went on a buying spree lest the paper money in their hands should become utterly worth-

The rapid worsening of the economic situation and the ever-lowering of the living standard of the majority of the people have produced far-reaching political consequences. In this connection, a Reuter story dated April 10 from Nanking makes interesting reading:

"Hungry and bewildered by the latest staggering collapse of the inflated Nationalist currency, civil war refugees turned back today to the Yangtze river and looked hopefully across its waters towards their homes, now in communist-held territory, for economic relief.

"In long, patient queues they sat for hours at Nanking's ferry gate to recross the river on the restricted steamer service, and then trek north through the frontlines of the Pukow perimeter....

"The refugees said they understood the communists were not objecting to letting them return through the lines to their hemes. They knew fighting had flared up again along the Yangtze, but they preferred the risk of crossing No Man's Land to

Military Matters

TYPICAL of the mood of United States Government leaders, US House Appropriations Committee raised the armed forces budget to a peacetime record of US\$15,909,116,-800. This was over US\$500,000,000 more than President Truman requested. Most of the increase was earmarked for the air force to build it up to 58 full groups.

In addition to financing its record peace-time military budget at home, the United States Government has promised to spend more money in the form of military aid to eight European countries in order to give teeth to the Atlantic Pact. It is understood these countries asked for assistance to "carry out a common defense program" the day after the Atlantic Pact was formally sealed. Secretary of State Dean Acheson stoutly denied rumors that the promised American military aid was a quid prò quo for these countries' joining the Atlantic Pact.

Unofficial estimates put the amount of military aid to these countries at US\$1,250 or US\$1,800 million in the first 12 months. The eight

countries include Britain, France. Belgium, Holland, Luxen Italy, Norway and Denmark. Luxembourg,

But Congressional leaders are feeling uneasy about the proposed foreign spending. A warning from Truman's economic advisers gave economy-minded members of gress new arguments to support their claim that more foreign spending might mean new tables of red ink on the government's books and perhaps "catastrophic" conditions at home.

Senator Wherry of Nebraska, the GOP floor leader, said that if the president asks for more money, Congress may have to choose between deficit spending or increased taxes.

Similarly, Chairman George, Democrat, of the Senate finance committee said he doesn't think the European arms program can be separated from the domestic defence program.

"It is logically impossible to talk about a military budget for ourselves and a separate military budget for the North Atlantic pact countries," George said.

Forrestal Suffers Nervous Breakdown

Former Defense Secretary James hours. Next day Ferdinand Ebar-V: Forrestal is reported to be suf-fering from "occupational fatigue" at the Naval Medical Center in Bethesda, Maryland, where he was admitted April 2—ive days after Louis Johnson succeeded him in the defense post-for a "routine" physical checkup.

Rear-Admiral N. L. Pugh, puty chief of the Navy bureau of medicine and surgery, said Forrestal's affliction was the same as that suffered by many persons during "physically and mentally.

Radio Commentator Drew Pearson gave the following version of the former defense secretary's illness on his weekly radio broadcast Aprli 10:

"I regret to report that James Forrestal, former Secretary of National Defense, is out of his mind and apparently has been partly so for some weeks. Forrestal's nervous breakdown came to a head in Hobe Sound, Florida, one week ago Friday, when two specialists were rushed down from New York.

"Forrestal was planning to get to Puerto Rico for a rest but was spending a few days at the Florida home of Averell Harriman. On that Friday night l'orrestal became obsessed with the idea of Russians invading the United States and invading the when a fire siren blew he jumped out of bed and had to be restrained.

"Later, the siren blew a second time and Forrestal then ran out of the house in his pajamas, screaming about the Red Army and it was with some difficulty he was caught

and brought back into the house.
"He was given injections which put him to sleep for the next 72 restal.

stadt and John Cahill flew him back to the naval hospital in Bethesda, Maryland, where he has been under 24-hour watch with a guard in his room. Suicide has been feared.

"Forrestal's close friends held meeting shortly after this tragic occurrence and took a pledge of strict secrecy. However, the tragic fact remains, and the public is entitled to know that during the recent weeks Mr. Forrestal served in the most powerful post in the nathe war and affects a person both tion he was not completely in his right mind.

> "I hope very much Mr. Forrestal can take a long vacation and have a speedy recovery. But it's also to be hoped important decisions made while he possibly was not in his right mind should be reviewed."

> Navy physicians said Mr. Forrestal was "progressing satisfactorily" and Rear Admiral Pugh said he had recently visited Forrestal at the hospital and he "talked very rationally."

> Captain B. W. Hogan, acting medical officer in command of the hospital, said Forrestal had lost 25 pounds in recent weeks and described his conditions as follows:
>
> "At the present time he has a

> marked low blood pressure, a secondary anemia, and a neuromuscular weakness which is characteristically seen in states of exhaustion. His condition is directly the result of excessive work during the war and postwar years."

Meanwhile, Representative John Rankin, Democrat from Mississippi, told the House of Representatives that Drew Pearson should be banned from the air because of the statements he broadcast about For-

starving in Nanking Approved iFor Release 2006/04/21: GIA RDP83-00415R003000660007-4

Chinese Magazine Roundup

University Review



THE Communist crossing of the Yangtze river is discussed in an article in the February 19 issue of the Univer-sity Review. The magazine analyzes the forces

at the disposal of the Government for the defense of the Yangtze and comes to the conclusion that the Communists cannot be prevented from crossing.

Turning first to the Government's naval forces, the article says: "At present a large part of the naval personnel and equipment has already been withdrawn to Canton and Tai-wan. Some warships are even hiding far away in the Yulin harbor on Hainan Island. Ships of large tonnage cannot fight with ease in the upper reaches of the Yangtze, and now there is only a small fleet guarding Nanking and Shanghai. Moreover, Government troops at present are in control of only a few bridgeheads on the north bank. These points are held not so much to provide cover for a future naval battle as to gain time for troop dispositions on the south bank. Because of the narrow area of the surrounding country controlled and the difficulties in supply and reinforcement, they are untenable, and once they fall the fleet in the river will come within the range of Comcome within the range of munist artillery.

"As for the air force, it is comparatively more effective in defending the river. It can bomb the Communist boats crossing the river and prevent the arrival of Communist reinforcements. It should be noted. however, that the Communists possess considerable anti-aircraft equipment and that if they attempt crossing at night the air force can do nothing to stop them. The responsibility for defending the river, therefore, will fall to the lot of the armv.

"The battle for Hsuchow and the Hwai river has cost the Government 70 to 80 percent of its ground forces. The remaining forces which have retreated to the south bank of the Yangtze, estimated at over 300,000 men, are scattered along a line scattered along a stretching from Wusung on the east to Wuhu on the west. Since it is impossible for this limited number of troops to defend every point on this long line, they have to concen-trate on the defense of main points such as Fushan, Kiangyin, Chin-kiang, Lungtan, Nanking, Tsishih, Tangtu and Wuhu. Because these points are far apart from each other and because there is great danger for the troops guarding one point in leaving their post to come to the rescue of another being attacked by the Communists, the Communists can break through the line

The article concludes: "Thus it is unwise for the Covernment to try to defend the Yangtze when in actual fact it cannot keep the Communists from crossing the river. A safer course would be to abandon Nanking and Shanghai and then engage the Communists in a decisive battle on the plains south of the river. For the winning of the battle would assure the safety of the areas south of the river for a while, whereas the loss of the battle would not make impossible a withdrawal of part of the fore s to the Chientang and the Chekiaag-Kiangsi railroad line. It is from fear of losing prestige and because of the US and British interests at stake in the Nanking and Shanghai area that the Government refuses to adopt this strategy."

Analyzing the Communist strength, the article says: "The Communists, too, must have suffered heavy losses in the battle for Hsuchow and the Hwai river. However, by downright hard work and chiefly by incorporating surrendered Government troops into their ranks they have quickly retrieved their losses. The Communists have enough local forces for the preservation of order in their rear and, if need be, they can afford to send all their regular troops to the front. Now the Communist forces available for the attack on the Yangtze include the 500,000 men under command of Liu Po-cheng, Chen Yi and Cheng Keng, and another 100,000 who have just come

from the outski ts of Taiyuan and Honan-Shansi-Hopeh areas. If necessary, Lin Piao's troops can also come south to join in the attack."

The Communists also have forces south of the Yangtze, the article declares, "their bases being in the Huang mountains in south Anhwei, the Tien Mu mountains in west Chekiang, and the Shih Ming, Tien Tai and Kua Tsang mountains in east Chekiang. Their troops number over 10,000 in the Tien Mu, 20,000 in the Huang and many more in the mountains in east Chekiang. They have laid a good foundation for the crossing of the Yangtze by the Communist forces on the north bank."

China News

AN interesting article on the attitudes of leaders of the Northwest provinces on the subject of peace is carried in the February 11 issue of China News.

The magazine says: "There three outstanding leaders in Northwest: Ma Hung-kuei, a devoted Mohammedan and Governor Ningshia; Ma Hung-ping, brother of Ma Hung-kuci and deputy commander of the Northwest Military and Political Headquarters; and Ma Pu-fang,

comes to internal issues, but they adopt more or less the same attitude towards the outside world. As a whole, owing to the liberal and tolerant policy of Chang Chih-chung, commander of the Northwest Military and Political Headquarters, they are all inclined toward the Central Government,

"Due to the peculiar topography of the Northwest, the tremendous Mohammedan influence, and the special political, military and economic system of the Mas, the Communists have never been able to get a vant age ground in the Northwest. During the war against Japan, the Communist Shensi-Kansu-Ningshia Border Region Government adopted a nonaggression policy toward the Mas, and the latter assumed the attitude that so long as the Communists did not come to bother them, they would not cross the border to disturb the Communists either. The Northwest is a Mohammedan country.... In a religious sense, the Mohammedans hate the Communists...The hardhitting Northwest troops, like Ma Hung-kuei's 18th Army, Ma Hung-ping's 81st Army and Ma Pu-fang's 82nd Army (now commanded by his son Ma Chi-yuan), are all unswerv-ingly loyal to the Ma family. The Communists, therefore, do not know what to do with them. Last year, for instance, they took a terrific beating from Ma Chi-yuan's cavalry division in East Kansu.'

Now, however, the magazine continues, the Northwest provinces are beginning to feel increasing Com-munist pressure. "When Fu Tso-yi surrendered in Peiping," the article says, "Ma Hung-kuei and Ma Pufang sent their personal envoys there to unearth the truth about regional peace and sound out the Communist attitude towards the Northwest. Realizing that the peace terms arranged between the Communists and Fu Tsoyi were identical to unconditional surrender, they were both shocked. Consequently they wired Chang Chihchung to return immediately to Lanchow to discuss the Northwest attitude toward war and peace."
A number of Northwest military

and political leaders gathered with Chang Chih-chung in Lanchow on January 30, the magazine reports, and expressed the following views:

"Sinkiang presents problem no thus far. Tae Sze-yuch and Li Tieh-chun, Hu Tsung-nan's envoys to Sinkiang, advocated the strengthening of defense forces in Sinkiang to guard against invaders.

... The opinions of the Northwest military and political leaders on the problem of war and peace boiled down to this: In deference to the Government's decisions, the Northwest provinces will not make re-gional peace with the Communists. If there is peace at all, it will be total, not regional, peace. Otherwise they by directing their attack at any governor of Chicehni RDF83 1664 15 R003 000 6000 7a4 change and prepare point with over Approver For Release 200 2004 2 dng CVer R Well 3 when it row war to seek peace."

US Magazine Roundup

NY Times Magazine

PROFESSOR Alexander Meiklejohn discusses problem before a American educators today in an article in the March 27 New York Times Magazine entitled, "Should Communists Be Allowed To Teach?" Professor Meiklejohn, who is a former president of Amherst University, teacher, philosopher and author, answers this question in the affirmative. In an earlier article in the same journal, Professor Sidney Hook of New York University had argued that known Communist party members should not be allowed to teach in American colleges because, as adherents of the party "line," they are not free to seek the truth.

The reason for this controversy in educational and civil liberties groups is that three professors at the University of Washington have been dismissed and three others placed on probation over the Communist issue.

Professor Meiklejohn says through this action "the entire faculty is now on probation. Every scholar, every teacher, is officially notified that if, in his search for truth, he finds the policies of the American Communist party to be wise, and acts on that belief, he will be dismissed from the university."

"The general question," the pro-fessor continues, "is that of the meaning of academic freedom. But that question has three distinct phases. The first of these has to do with the organization of a university. It asks about the rights and duties of the faculty in relation to the rights and duties of the administration. And the principle at issue corresponds closely to that which, in the Government of the United States, is laid down by the First Amendment to the Constitution. Just as that Amendment declares that 'Congress shall make no law, abridging the freedom of speech, so, generally, our universities and colleges have adopted a principle which forbids the administration to abridge the intellectual freedom of scholars and teachers. And, at this point, the question is whether or not the president and regents at Washington have violated an agreement, made in good faith, and of vital importance to the work of the university.'

Professor Meiklejohn explains the "tenure system" advocated by the Association of University Professors and by most of the American universities, including the University of Washington. "That system," he says, "recognizes that legal authority to appoint, promote, and dismiss teachers belongs to the president and regents. But so far as dismissals are concerned, the purpose of the tenure agreement is to set definite limits to the exercise of that author-

"This limitation of their power, governing boards throughout the nation have gladly recognized and accepted. To the Association of University Professors it has seemed so important that violations of it have been held to justify a blacklisting' of a transgressor institution —a recommendation by the Association that scholars and teachers refuse to serve in a university or college which has thus broken down the defense of free inquiry and belief."

Under the tenure system adopted by the University of Washington, Professor Meiklejohn explains, "after a trial period in which the university makes sure that a teacher is competent and worthy of confidence, he is given 'permanence' of tenure. This means that he is secure from dismissal unless one or more of five carefully specified charges are proved against him. And the crucial fea-ture of this defense of freedom is that the holding of any set of opinions, however unpopular or unconventional, is scrupulously excluded from the list of proper grounds for dismissal."

But in the cases under discussion, Professor Meiklejohn points out, "the only charge made was that of present or past membership in the American Communist party. Specific evidence of acts revealing unfitness or misconduct in university or other activities was deliberately excluded from the prosecution case. And further, since the alleged fact of party membership was frankly admitted by the defense, the only question at issue was the abstract inquiry whether or not such membership is forbidden under the five provisions of the tenure code."

On that issue, Meiklejohn says, the faculty committee decided there were no grounds for dismissal, but the regents, on recommendation of the president, dismissed the two party members and went further to place the three ex-party members on probation for two years.

Communist Issue



MEIKEJOHN raises the question of whether the tenure code, as it now stands, He is wise.

President Allen of the University of Washington as saying that a teacher who is "sincere in his belief in com-munism" cannot "at the same time be a sincere seeker after truth which is the first obligation of the teacher.'

On this point, Meiklejohn comments: "No one can deny that a member of the American Communist party accepts a 'discipline'.... Our question is, then, whether sub-mission to that discipline unfits for

of scholarship and character, have been judged by their colleagues to be fitted for it."

Examining the inducements offered by the Communist party in attracting members to accept its discipline as compared with the disadvantages, Meiklejohn says: "On the one hand, as seen in the present case, the administration can break a man's career at one stroke. It has power over every external thing he cares for. It can destroy his means of livelihood, can thwart his deepest inclinations and intentions. example, in very many of our universities it is today taken for granted that a young scholar who is known to be a Communist has not the slightest chance of a faculty appointment. He is barred from academic work. And, as against this, what has the American Communist party to offer? Its 'inducements' are the torments of suspicion, disrepute, insecurity, personal and family disaster.

"Why then, do men and women of scholarly training and taste choose party membership? Undoubtedly, some of them are, hysterically, attracted by disrepute and disaster. But, in general, the only explanation which fits the facts is that these scholars are moved by a passionate determination to follow the truth where it seems to lead, no matter what may be the cost to themselves and their families."

As for the matter of control of members by the Communist party, or by Moscow, Professor Meiklejohn says the only enforcing action the party can take is expulsion, that is, expulsion from a party which the individual joins of his own free will. "Under that form of control," he adds, "a man's acceptance of doctrines and policies is not 'required.' It is voluntary."

President Allen and his regents, the author continues, "misled by the hatreds and fears of the cold war.... are unconsciously tricked by the ambiguities of the words, 'control,' and 'require,' and 'free,' and 'objective.' The scholars whom they condemn are, so far as the evidence shows, free American citizens. For purposes of social action, they have chosen party affiliations with other men, here and abroad, whose beliefs are akin to their own. In a word, they do not accept Communist beliefs because they are members of the party. They are members of the party because they accept Communist beliefs. . . .

"Underlying and surrounding the Washington controversy is the same controversy as it runs through our national life. The most tragic mistake of the contemporary American mind is its failure to recognize the inherent strength and stability of free institutions when they are true

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What Chinese Papers Say

WHE progress of the peace talks in Peiping was a major editorial subject in the Chinese press. The formation of a West German government also was touched on.

Peace Talks



THE Ta Kung Pao was hopeful that the talks would reach a successful conclusion if the tionalists tionalists followed the lead of acting

President Li Tsung-jen, but expressed concern over the attitude of the Legislative Yuan members in Canton.

The paper said:

"The ultimate success or failure of the peace talks will hinge on one thing—sincerity . . . To cite an example. Up to the end of last week, the situation surrounding the peace talks was rather tense. The Com-munists demanded that a Joint Committee on the Peiping pattern be organized by April 12, failing which the Communist Army would immediately cross the Yangtze. For a time it did seem that the peace talks would be stalemated. But because Li Tsung-jen, in his message of April 8 (to Mao Tze-tung), showed sincerity and won a reply from Mao, a change came which enabled the peace talks to be continued. The New China News Agency, in a short commentary statement during the broadcast of Mao's reply, also acknowledged that Li seemed to have become more sincere in his hope for the success of peace. The New the success of peace. The New China News Agency is always severe in its criticisms, and though the commentary quoted concluded by saying that Li's sincerity would be judged by his future acts, it is a very rare case when the Communists have not entirely denied Li's sincerity.

"It is true that Li's sincerity has only made the continuation of peace talks possible, while the future of the talks are still surrounded with many difficulties so that it will be premature to foretell the final results, but sincerity has been proved

to be genuine and mutual."

However, the paper noted, "the Legislative Yuan members who are remaining in Canton called a meeting on April 9, and took Li Tsung-jen to task by charging him with exceeding his authority and acting against the Constitution in stating in his message to Mao Tze-tung, that the Government had ac-cepted the eight Communist condi-

tions as the basis of the peace talks." The Ta Kung Pao questioned this action on the part of the legislators, saying: "As a matter of fact, the use of Mao Tze-tung's eight conditions as the basis of the peace talks had the support of the Legislative Yuan at its meeting in Nanking, and was fully agreed to by the Ex-

world knows that only by accepting Mao's eight conditions as the basis for discussion could the peace par-love have been initiated . . . Even leys have been initiated . . . Even Chiang Kai-shek, as Tsungtsai (Director-General) of the Kuomintang, has given his support to the talks. Li Tsung-jen's statement that he himself was prepared to undergo punishment as a war criminal, even to the extent of being scalded in boiling water, fully reflected his spirit of tolerance and patience in his carnest quest after peace.'

The Yi Shih Pao felt the Government would not accept an uncondi-tional surrender and that only by strengthening its defenses could it obtain better prace terms. "Our view," the paper said, "is that the greatest hope for the success of the peace talks does not lie in the acceptance of the eight Communist conditions, but rather in the determination to engage in a fight with the Communist Army if necessary."

Western Germany

THE agreement among the United States, France and Great Britain for formation of a Western German government was seen as a move that would intensify the cold

The Chung Yang Jih Pao declared: "Germany is the heart of Europe, and the highly developed industries of West Germany can industries of West Germany can help greatly to build up the anti-Communist fortress in Europe. The three western powers have officially signed an agreement, and the formation of the West German state will be realized immediately. It is easy to imagine the indignation on the part of the Eastern bloc.

"US Secretary of State Acheson has announced at this time, however, that the courageous actions of the Western allies have strengthened the possibilities for the peaceful settlement of the cold war with the Soviet Union. It is obvious that, in his opinion, the Marshall Plan and the Atlantic Pact, to which is now added the West Germany agreement, constitute the real force that fills the vacuum in the weak regions of Europe. West Europe is now ready, and the time for the showdown is approaching. As a matter of fact, that formation of the West German state can only intensify the cold war between the East and the West.

The Ta Kung tao felt that US policy in Western Germany would only serve to create a rift within the western nations. The paper said: "The numerous acts perpetrated by the United States in West

pean nations. From the beginning, the United States has made it plain that she will not underwrite any such undertaking. And British such undertaking. And Fritish Foreign Secretary Bevin, recognizing the difficulty in changing this US stand, instructed the British ambassador not to insist on the point. But actually what is more menacing to peace than the Atlantic Pact is the series of American moves in West Germany which

are irking even her allies.

"The reconstruction of the Ruhr district was proceeded with under the slogan of resistance against the Soviet Union and prevention of Communism. Already, the people of West Europe are asking the ques-tion: If the West German Government that is to be elected soon will use the coal and iron of the Ruhr for an invasion of the Netherlands, Luxembourg, France and Belgium, what is to be done? And the sweating workers in the pits of the coal and iron mines of the Ruhr must also be asking themselves: First we labored for the Kaiser, and next for Hitler. Now for whom are we sweating?"

Pacific Pact

THE Tung Nan Jih Pao felt that a Pacific Pact would reflect, and contribute to, further deterioration international relations expressed belief that the outcome of the peace talks in China will have a direct bearing on the international situation in the Far

East. The paper said:
"At the present moment, the country that is most ardent in her efforts to draw up a Pacific Pact is not the United States, but Britain (and her dominions), though there is no doubt that the United States will provide the first design form. will provide the final deciding force. Nevertheless, both Britain and the United States will be confronted with difficulties, for the problems connected with the Pacific Pact are far in excess of those encountered in connection with the Atlantic Pact. Britain will face nationalistic issues very complicated in nature, while the United States also will find it difficult to maintain the balance of power in Asia because of the China situation.

"We believe that neither Britain nor the United States is intent on a course which would lead to international conflict or war. As long as the Soviet Union will not use China as a stake in the international political game, as long as she will not exploit the nationalistic issues in Asia for her expansion in this part of the world, then there may be no action on the part of the legislators, saying: "As a matter of fact, the use of Mao Tze-tung's eight conditions as the basis of the peace talks had the support of the Legislative Yuan at its meeting in Nanking, and was fully agreed to by the Executive Yuan. Approved Food Release 2005/04/21 Grant Gra

What US Papers Say

THE attitude of Republican congressmen toward America's China policy and the prospects for a peace settlement in China came under discussion in the American Comment also dealt with the situation in Burma and congressional appropriations for the European Recovery Program.

Republican Critics

EDITORIAL reaction to the efforts of Republican members of the House Foreign Affairs Committee to increase American aid to China was varied. The Washington News sided

with their views, saying:

"Republican members of the House Foreign Affairs Committee, dissenting from the majority report on ERP, are sharply critical of certain trends in American policy. views cannot be dismissed as mere expressions of partisan bias.... They consider the proposed aid to China inadequate, which may be debatable. They hold that American policy in China has collapsed, which is not debatable. Our dismal failure in China may prove the Achilles' heel of American foreign policy as a whole. The President would do well to make clear that he appreciates the past contributions of the Republicans, and that he does not intend

The St. Louis Post-Dispatch, however, declared: "It is simply playing partisan politics with the China question when Republicans on the House Foreign Affairs Committee charge that American policy in China has collapsed. What has collapsed in China is nothing less than China itself If Republicans want to be of service to the country in bringing a new China policy out of chaos, they can make a good start by approaching the problem as Americans and not as members of

one or another political party."
The Kansas City Star adopted a wait-and-see attitude, saying: "Critics of the do-nothing attitude on China have not really offered anything definite in place of it. The conclusion can only be that they had nothing concrete to offer. It is right to concede that there has been a policy failure with respect to China ... Yet it is hard to see what can be done about these mistakes until the confusion in the area they affect has been dispelled. As soon as we have a clearer view of events in China then perhaps it will be possible to devise an intelligent plan for standing off the threatened sweep of Communism through the whole of the Far East."

Peace Settlement

THE Christian Science Monitor foresaw a long interim period before peace is finally realized in

gotiations arouse cautious hopes as well as skeptical reservations. There may be mary years of shift-ing adjustment, local fighting, hard bargaining before genuine and productive peace comes to China. But a start may conceivably be made at the present conferences, and neither a handful of American silver nor a handful of Moscow-trained Marxists is likely to reverse at this date the slow, inevitable force of Chinese compromise."

The Baltimore Sun suggested there were "grave doubts" that all of China would go along with a "dishonorable" peace settlement-a peace at any price. The paper said: "A large section of China is supposed to be staunchly benind Chiang, who is wanted by the Communists as a war criminal and who is therefore opposed to unconditional surrender. Those close to President Li claim that Chiang continues to interfere in the peace negotiations."

Burma Disorders



ANALYZING the troubles in Burma, the New York Times felt they are due to a number of reasons, among them the lack of good leadership, and deplor-

edthe assassination \mathbf{of} of the country's ablest men, Major General U Aung San, soon after Burma had obtained her

independence. The paper said:
"The infant state of Burma is having hard going, its government is facing not one civil war but two, and at times three, civil and militarv insurrections simultaneously. The Treasury is bankrupt. The major export, rice, has not been restored because of commotion in the Irrawaddy delta. Rail transport has broken down. River transport is hazardous and repeatedly interrupted. Civil administration has disappeared frequently, and many units of the armed forces have mutinied and deserted. Cabinet crises are chronic, and another bloc of ministers resigned the day before yesterday. The Premier is reported to be negotiating with Communist rebels for

a peaceful coalition
"There are several reasons for this state of affairs, but one of the most cogent has usually been overlooked. It is quite true that some of the disorders are Communist-led and Communist inspired, for the very purpose of breaking down the orderly life of the community. But the Communists themselves are divided into two factions that periodically war upon each other and neither is in a position to take over the administration of a government for Burma.

"The Karens, a large, intelligent and fundamentally conservative ethnic

ment rather than an attempt to destroy or replace the government. They have, from time to time nd place to place, accepted help from one or another Communist faction, but on a temporary basis and with no thought of genuine union with the Communists. Recently the Karen rebellion has been pointed out as the chief cause of Burma's woe. Again, this is only partly true; and true largely in reverse. The Karens are pushing their separatist demands because of the breakdown in Burma. The breakdown is not primarily the result of the separatist demand.
"Another suggestion frequently

made is that Burma undertook to go her independent way too soon and that she should have relied for a longer period of tutelage on the association with the British Crown and the Commonwealth. That, again, is true only in a very limited sense, since an orderly Burma, although independent, could have asked for and received substantial British Commonwealth assistance.

"The factor that has been overlooked is Burma's lack of real top-flight leadership. And those leaders are lacking, at this time, because they were murdered within six months after Burma became independent. Burma is paying a fan-tastically high price for the senseless assassination of Maj. Gen. U. Aung San and most of the ablest men in his Cabinet.

"General Aung San, among the modern Burmese, stood easily first in his ability to command and inspire a popular and a military following. He was regarded in the United Kingdom as a man of both great ability and great integrity, to whom leadership could well and safely be entrusted. He was cut down by the disgruntled head of a splinter political group for no better reason than malice and envy. His assassins could not conceivably have imagined that they could replace him. His successors in the Government have been unable to fill the gap caused by his death and the slaughter of most of his Cabinet."

ERP Authorizations
THE Washington Star hailed the

Senate's refusal to permit a reduction in the funds asked for continuation of the European Recovery Program and declared that the pace of the program should not be slackened. The paper said:

"The bipartisan coalition in the Senate which has beaten down the attempt to cut the European recovery authorization is in line for congratulations ...

This is not time to waver in press-gr forward to the goal. Almost ing forward to the goal. certainly, we are entering upon a period that will be decisive in deterpeace is finally realized in and fundamentally conservative ethnic mining whether the Communist threat The paper Appirove difference Release 2006/04/21 a GLARDR 33-00415 RDQ 3000 USC Stuffy turned back."

NEW BOOKS OF INTEREST

Chinese Politics

CHINA BELONGS TO THE CHINESE PEOPLE. By Ho Chih-Hsiang. With Forewords by Dr. J. Leighton Stuart, United States Ambassador to China, and Maj-Gen. Victor W. Odlum, former Canadian Ambassador to China. Published by the Commercial Press, Limited, Shanghar, 1948. 518 pages. Reviewed by Donald Roberts.

THE title of this book is timely, and so would the book be also if it were published at the moment in the United States. Even a good book in English published in China does not reach the public it deserves. This book by Mr. Ho, with its forewords by the present United States Ambassador and the former Canadian Ambassador, has merits that commend it to those who are interested in China. The author is a Chinese writing to encourage his own countrymen. He has been active in journalism for 20 years past, for The China Press, The China Weekly Review, and the Central News Agency, for the last of which he is now correspondent in Moscow. He is also the translator into English of the Chinese Constitution, as published with the Chinese text in 1947 by the Commercial Press. His experiences have given him a point of view not duplicated by many European or American reporters of the Chinese political scene.

One of the merits of "China Belongs to the Chinese People" is the great amount of fresh thought the author has given to the solution of China's political problem which, as he sees it, calls for the end of one-party rule, and for an agreement such as General Marshall sought without success. The course of events, except for the crumbling of Kuomintang power, is aptly foreseen by the author when he writes

on page 272:
"The Chinese Communist Party today has become the second largest party in China. If it can struggle patiently and persistently, the future of its peaceful development will be unbounded. By all means, it must not show itself intolerant of small matters and thus bring ruin upon itself

self.

"This piece of advice deserves the most serious consideration by Mr. Mao and his comrades. They must be liberally minded enough to admit that they can be wrong, as any human being is liable to be. In human affairs there is no such thing as infallibility. In a way, the future of the Chinese nation lies in the outlook and activities of the Communist Party. The future of 450,000,000 Chinese people is not a matter for a few individuals or a political party to gamble with, even though they are armed."

The book is diffuse rather than concise, and the author quotes free-

The book is diffuse rather than concise, and the author quotes freely and sometimes at length from the Ta Kung Pao Approved For Release 2006/04/21 ic Clark Rop P83-004/15 R00300006000 Traking, will it?"

other sources of information and opinion for the events of the postwar years, but the assembled analyses of parties and conferences, and narrative of events give the book an enduring reference value. Two appendices, comprising the last hundred pages of the book, bring together very useful material not conveniently found elsewhere: Important points of the discussions between the Government and the Communist Party representatives in September and October, 1945; Agreements adopted by the Political Consultation Conference held in Chungking in January 1946; Text of the Constitution of the Republic of China adopted December 25, 1946; Text of the Administrative Policy Program of the National Government, issued on April 17, 1947. So, too, the texts of two of President Truman's statements on China, of December 15, 1945 and December 19, 1946 are given; also of General Marshall's report to President Truman, published on January 7, 1947; of documents, too, relating to the Wedemeyer Mission; and of William C. Bullitt's "Report on China," as reprinted in Time magazine of October 13, 1947.

Chinese Life

A CHINA MANUAL. Edited by Neville Whymant. Published by the Chinese Government Information Office, 51 New Cavendish Street, London, W.I. 1948. 352 pages. Price 10s. Reviewed by Donald Roberts.

IT will surprise some, as it surprised the reviewer, to learn that such a book as "A China Manual," edited by Neville Whymant, has been published by the Chinese Government Information Office in London. The book is the outcome of the publication of a series of pamphlets on Chinese life and culture during World War II. It is a manual, as its name tells, and is full

of factual information "presenting China in a nutshell."

For the reader mainly interested in Chinese culture the six chapters on Chinese geography, history, classics, philosophy, art, and education are splendidly concise and comprehensive. All six are written by the editor himself, for whom they were a labor of love; his admiration for Chinese thought and life being finely intelligent and discriminating. The aim, as he puts it, is "to lead men to think, rather than to tell them what they should think." The maining four charters are a single form a harder than the state of the four chapters, out of ten in all, are on the Kuomintang, the writer not

Y. L. Wu; on industry by Dr. C. S. Chen; on co-operatives by Lu Kuang-mien; the material being full and well presented.

There are 21 full pages of good illustrations, mostly photographs. There are good selected bibliographies for the chapters on history, agriculture, art, and philosophy. An index is unfortunately lacking, and there is unnecessary repetition of lists of the Chinese dynasties. There are some minor mistakes, like Escatra for Escarra, and Pott and Hawks for Hawks Pott; and under education a presumably full list of universities is given, but St. John's University is omitted. But A China Manual makes an excellent reference of compact size for anyone's private library shelf,

Civil Liberties

NEW THREATS TO AMERICAN FREEDOMS, by Robert E. Cushman. Public Affairs Pamphlet No. 143. N.Y. Public Affairs Committee, 1948. 32 pages. U.S.\$.20.

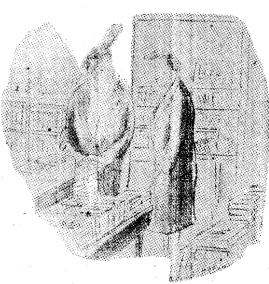
War by its very nature is a menace to civil liberty. Normally wartime suppression of civil liberty is recognized as an emergency measure, but when war ends efforts must be made to discard military authority and return to the peacetime freedoms.

This pamphlet is a warning against present tendencies by Dr. Cushman, professor of government at Cornell University and a leading authority in the field of civil liberties. Although he confines his thesis to the United States, the danger he describes is world-wide. The difficulty arises from postwar fears, uncertainties, and suspicions.

tainties, and suspicions.

No citizen of a state, says Dr. Cushman, can allow the civil liberties of any group in the community to be abridged, however strange and new, without endangering his own civil liberties. There must be no confusion of intolerance with patriotism.

These timely pamphlets of the Public Affairs Committee fill a popular educational need.







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